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Independent analysis of politics and government

Democratic free-for-all: Garamendi vs. Brown

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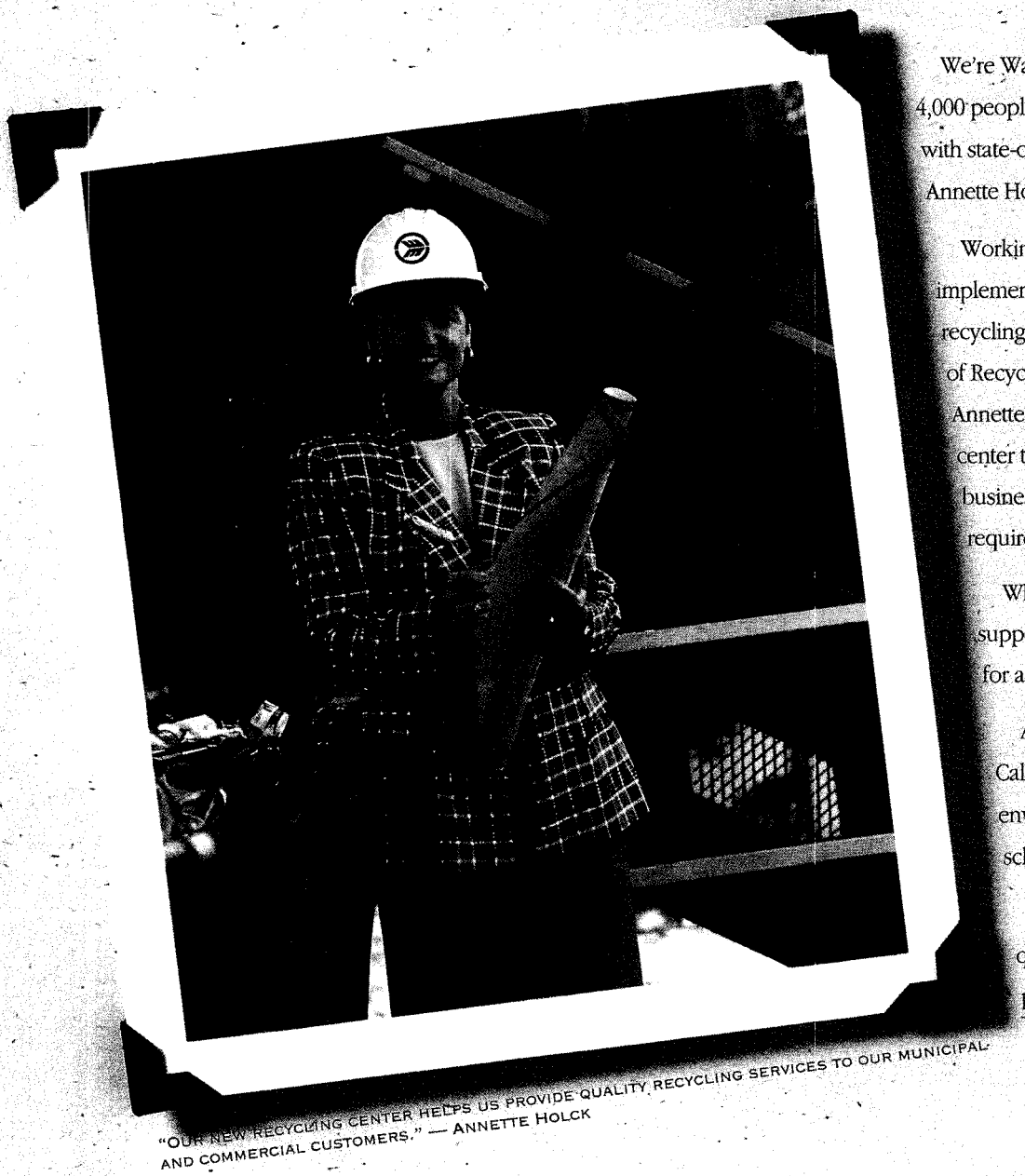

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DECEMBER 1993
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California JOURNAL

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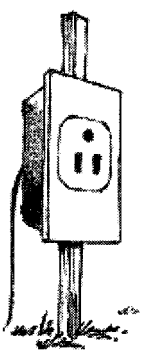

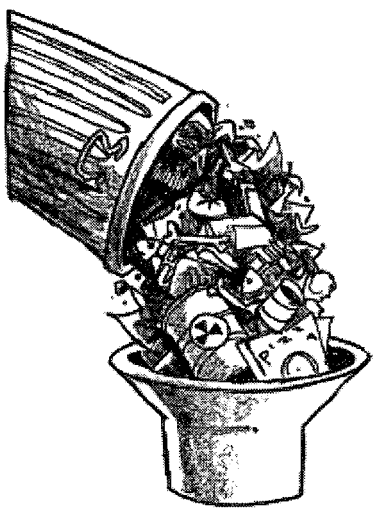

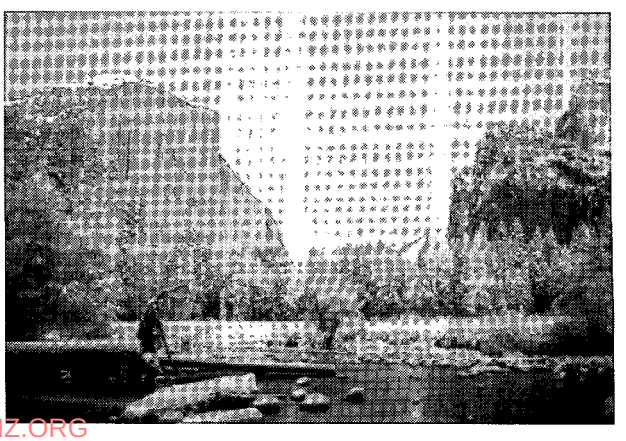

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Up Front

UMBRAGE

What's in a name? How about a subtle dig? A derogatory nuance? Governor Pete Wilson's communications chief, Dan Schnur, recently referred to Democratic state Treasurer Kathleen Brown as "Kathy." Some women, of course, chose to call themselves "Kathy," but the state treasurer does not. And its use by the gov's chief mouthpiece seems to imply that "Kathy Brown" doesn't quite measure up to the big, awesome, nearly overwhelming responsibilities that fall upon the state's chief exec in the way that, say, Petey Wilson might.

Doggy heaven. The folks in Mission Viejo apparently think it is more terrible to waste a dog than a mind. According to *The Register* of Orange County, Mission Viejo last month opened a new $2 million animal shelter — 37 acres worth. The shelter has heated floors, skylights, paneled walls, showers and flush toilets — for the animals. A volunteer network also was established to find adopt-a-parents for every stray dog and cat that happened to wander through Mission Viejo. Oh, by the way, *The Register* also reported that the city can't afford a library.

The fear of — Wally. In a press release fired off to the residents of California's 2nd Congressional District, GOP Congressman Wally Herger demanded the release of American servicemen being held hostage in Somalia. Yup. That ought to have ole Addid quaking in his sandals.

Man in the irony mask. Governor Pete Wilson last month vetoed a bill that would have created a new state holiday on March 31st to honor the late Cesar Chavez, founder and president of the United Farm Workers. Wilson dinged SB 1253 (Senator Art Torres, D-Los Angeles) because he said the state can't afford another paid holiday. California now has 13 such days off. Wilson, ever the sensitive man of irony, chose to veto the Chavez bill on Columbus Day — one of the most bogus of the state's official holidays.

The informed vote. If you thought the size of the state ballot pamphlet was daunting, given that 1993 is a so-called "off year," be glad you're not a resident of San Francisco. In addition to seven statewide measures, San Franciscans had to pass judgment on 28 local proposals. Our favorite was the last one — Measure BB: "Shall it be the policy of the people of San Francisco to allow Police Officer Bob Geary to decide when he may use his puppet Brendan O'Smarty while on duty?" More than 49 percent voted no. Stan Statham, if you're listening, let them be an entity unto themselves.

Rumor of the Month. Assembly Speaker Willie Brown Jr. is said to be considering replacing all committee chairs who are running for another office. Their jobs would go to rookies. If the rumor is true, gone from power would be the likes of Education's Delaine Eastin (schools' chief), Agriculture's Rusty Areias (controller), Utilities' Gwen Moore and Consumer Protection's Jackie Speier (secretary of state), Finance and Insurance's Steve Peace (Senate), Local Government's Tom Umberg (attorney general) and TV's Stan Statham (lieutenant governor). Rookie committee chairs would alter the Assembly's dynamic in a hurry. They also might alter staff by importing their own consultants and secretaries. The sound you hear is drooling in the lobby corps.

The Undefeated. Ah, the dreams of the once-elected. Remember Frank Riggs? He's the North Coast Republican who beat Democratic Congressman Doug Bosco in 1990, mostly because a significant chunk of Democratic voters defected to a Peace and Freedom candidate. He lasted one term before local Democrats returned to the fold by ousting Riggs in favor of one of their own — Dan Hamburg. Now, Riggs is said to be considering a run for some constitutional office. As we understand it, a one-term congressman, who couldn't get himself re-elected from the immense population centers of Humboldt, Mendocino and Lake counties, now wants to get himself elected statewide. Or even to the Board of Equalization. Reality check, please.

Bravado roulette. Republican Maurice Johannessen, who won the special run-off election in Northern California's 4th Senate District (see story, page 22), pumped out a lot of campaign steam by bashing illegal immigrants, who, he believes, rip off California taxpayers to the tune of $2 billion a year. He wants the state to given them nothing. Well, well, well. Seems in a TV interview about five years ago, ole Mo himself trumpeted the fact that was, too, was an illegal immigrant. In that interview, Mo said that back in 1952, when he was a 17-year-old Norweigan seaman, he had jumped ship in San Pedro, was caughtand later was deported to Mexico by immigration officials. He subsequently came back, he said, and joined the Army by lying to recruiters. Of course, five years ago, Mo wasn't running for the Senate and that earlier version of his entry into the U.S. had a kind of "up by the bootstraps," entrepreneurial bravado to it. That bravado rang hollow this year, given his grumpy stand on illegal immigrants, so his campaign spun out a different version. According to the campaign, Johannessen didn't really jump ship; he left it to look for his parents, who were legal residents of the U.S. One of those versions may be the truth; one clearly is not.

Biloxi bashing. Folks across the way in Mississippi were not amused over the recent campaign to pass Proposition 174 — the school voucher initiative (see story, page 21). They particularly objected when pro-174 ads noted that 4th-grade reading scores among California students had fallen nearly as low as those among Mississippi students. Mississippi ranked last among the 41 states that participated in the 1992 testing, conducted by the National Assessment of Education Progress. California ranked next-to-last. Pro-174 forces

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used the scores to point out how badly California schools were run. Mississippi felt slandered. "The ad was meant as an indictment of education in California," pro-174 spokesman Al Silberstein told the Jackson, Mississippi, *Clarion-Ledger*. "It was not offensive to Mississippi in any way." Oh? The pro-folks in essence said, "Things are so bad here that if we don't do something quick, we're gonna be as bad as Mississippi." Sounds offensive.

Overkill. The era of big-money campaigns has extended beyond statewide races, or even races for congressional and legislative districts. Take, for instance, the effort to defeat Measure P in Sacramento County. The initiative would have imposed rent controls on mobile-home parks and rolled back rents to January 1991 levels. Opponents — led by mobile-home park owners — pumped nearly $700,000 into the anti-P campaign. Proponents managed by $8000. Pro-P campaign consultant Leo McElroy, a veteran of many statewide races, said he has never heard of a *local* measure attracting that much cash. "I've run successful statewide races on a lot less," McElroy said. Some Sacramento residences were peppered with four pieces of anti-P mail, plus an Election Day doorhanger. Oh, by the way, the measure was defeated.

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Thucydides

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Two Cents Worth

COMMENTARY

The defeat of the school-voucher initiative should provide some comfort to the state's education establishment. It demonstrates that despite the system's shortcomings and difficulties, the public is not yet ready to give up.

Those results, however, shouldn't be seen as proof that all is okay with the public schools, or that the public is satisfied. The state's teachers, through their largest lobbying group, the California Teachers' Association, had polling to confirm this. As a result, they chose to attack the voucher initiative by highlighting fears that tax dollars would be spent to support fly-by-night schools pushing strange philosophies. Notably, they did not argue that the schools are really okay the way they are.

But there are already disturbing signs that the CTA hasn't taken the public dissatisfaction to heart. In a memo last month, CTA president Del Weber lashed out at politicians who he said were "hostile" to the education system because they went so far as to suggest that it really wasn't doing a very good job. Weber's message, aimed primarily at Democrats who have gotten lots of support from the CTA, was clear: We don't want to hear any school-bashing during the upcoming campaign season.

The truth is that, under extremely difficult conditions, most school districts are doing a heroic job. Still, it's not enough. The system fails to meet the needs of too many children. The reasons are complex, and the blame is wide-spread. Voters, who have made it impossible for most districts to raise money deserve much of the blame. Administrators who worry more about rules than results deserve some. Teacher unions that put salaries, benefits and tenure at the top of the educational agenda also are to blame. And parents, preoccupied with work or elsewhere, fail to participate as they did in the past.

A large part of the problem can be traced to the approval of Proposition 13, the initiative that capped property taxes. One of the side effects of that measure was to eliminate the ability of local school boards to raise money, shifting responsibility to Sacramento. Since he who pays the piper calls the tune, it wasn't long before more and more power over education shifted to the state Legislature. Teacher unions were uniquely situated to take advantage of this situation. They were organized, could raise money, and could provide people to work in campaigns. At the school-board level, they became almost invincible in electing sympathetic board members. Over the years, the imbalance in teacher power has become more and more obvious. It's no accident that California ranks near the bottom in overall spending per pupil, but still near the top in teacher salaries. And with this power has come a conservatism that has retarded the educational process. Any change is viewed as a threat.

Individually, many teachers, particularly good ones, chafe under the current system and would gladly trade some measure of security for greater independence and additional resources. But they have been frustrated by their own union leadership, which has consistently put union issues above professional ones. Thus, the statement by Weber implying that all is really well in the state's schools.

Well, all is not well with the state's schools, and are perilously close to the point were things will be impossible to fix. Legislative leaders have called for an "education summit" to discuss the problems. It's a start. But the solutions will be difficult to achieve since sacred cows will need to litter the ground if the system is to be truly changed.

Among the elements to be considered: more control for local school boards by giving them the power to raise taxes; more control for administrators at individual schools by giving them more power to hire, fire and discipline their staff; greater autonomy for teachers by relieving them of many administrative requirements; more control for parents —possibly through public school vouchers — by allowing them to choose among any public school, with their state money going with them; and more control to central administrators to establish different kinds of schools in response to local or parent demand.

It's a lot to do, and the obstacles, both political and legal, are formidable. But statewide elections are upon us, and it's time this debate took center stage.

— Richard Zeiger

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Rostrum
LETTERS

Transportation

Your article on transportation in California (see *CJ*, September 1993) erroneously indicated that National City Lines, a consortium that included General Motors and Firestone, lost an anti-trust suit in 1946 after it bought and destroyed Los Angeles' Red Car. Although Los Angeles Transit Lines, an affiliate of National City Lines, did buy the Los Angeles Railway narrow gauge "Yellow Car" system in January 1945 and over the next 13 years did abandon 20 streetcar lines in favor of buses, it did not acquire the Red Car system of the Pacific Electric. In fact, Pacific Electric continued to operate its Red Car under Southern Pacific ownership until it was sold in October 1953 to Western Transit Systems, with the newly formed operating company of Metropolitan Coach Lines. The new owners only abandoned two lines inherited from Pacific Electric.

In March 1958, both the Los Angeles Transit Lines and the Metropolitan Coach Lines were acquired by the original Los Angeles Metropolitan Transit Authority, which was a public agency. Over the next three years, it was the MTA that abandoned the remaining Red Car lines. By March 1963, the MTA had further abandoned five other streetcar lines obtained from LATL and two trackless trolley lines. It also should be noted that, with the exception of Caheunga Pass and Aliso Street, Red Car tracks were not torn out to provide roadbeds for freeways.

ROBERT B. PETERSEN
Redondo Beach

Gay politics

Regarding your article on gay politics (see *CJ*, November 1993), policymakers need to understand the agenda of the "homosexual, bi-sexual and transgender" movement. Unfortunately, you dealt more with personalities and gay and lesbian insider politics than with public policy or political agendas. Perhaps next time you can discuss their agenda to promote the homosexual, bisexual and transgender lifestyle to young children with our tax dollars, overhaul the family and force special-rights status based on their sexual lifestyle.

The article on gay politics incorrectly quotes me as calling a homosexual activist "a principality of Satan" and cites the recipient of the statement as the source — without checking the accuracy with me. For the record, I did not call this individual by that name. Also, a lesbian activist used a pejorative religious label to attack me. If she had attacked my Jewish heritage or race, would *California Journal* have printed those comments? Does the *Journal* have a different standard for attacks based upon conservative religious beliefs than it does for those based upon ethnicity or race?

Instead of debating the issues, homosexual activists throw epithets at their opponents by calling us the "rabid right," "Christian extremists" and "ayatollah." The pro-family leaders I work with support equal rights for all and condemn hate and violence. What we oppose is using the coercive power of government to force the acceptance of the homosexual lifestyle as a viable life alternative upon society.

LOU SHELDON
Chairman, Traditional Values Coalition

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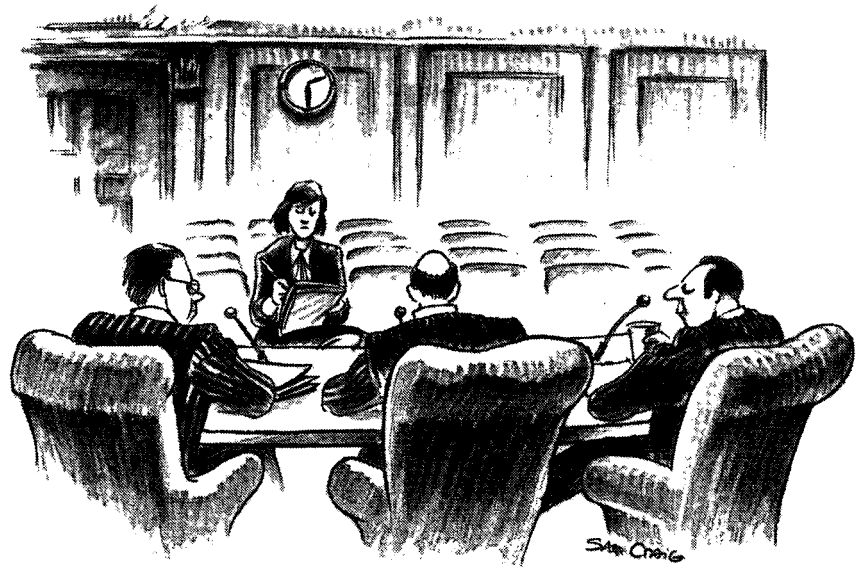

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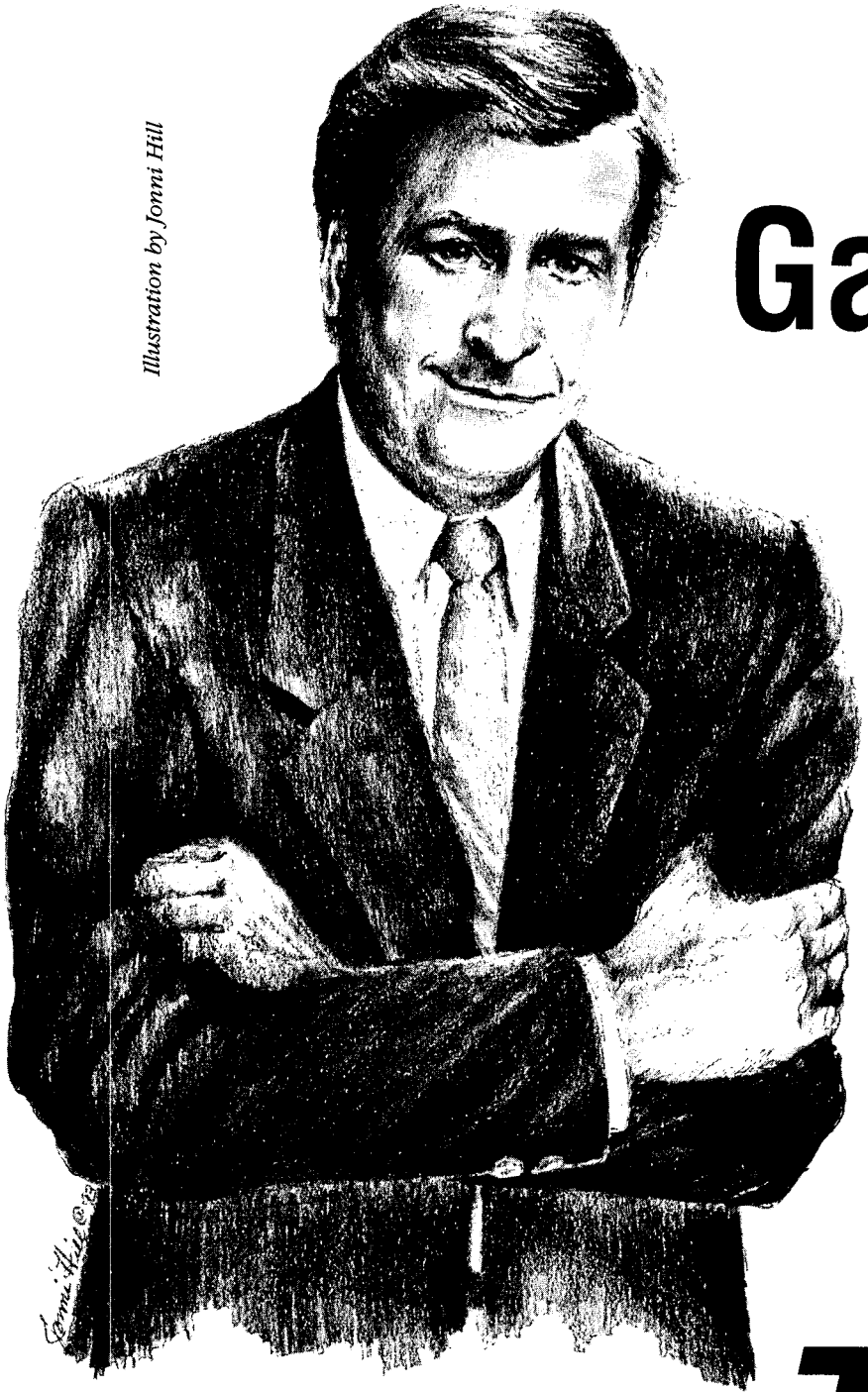

Illustration by Jonni Hill

John Garamendi

Another reach for the big brass ring

By Steve Scott

This past spring, at the Democratic Party's state convention in Sacramento, some 1500 of the party faithful crowded into a Saturday morning breakfast meeting billed as a "tribute to Democratic women." The breakfast, one of the convention's hottest tickets, featured state Treasurer Kathleen Brown and had all the trappings of a pep rally for Brown's already-active campaign for governor. As attendees munched their breakfasts, a dark-suited figure made his way methodically up one long row of tables and down the other — shaking hands, hugging friends, and generally schmoozing the gathered partisans.

The sight of state Insurance Commissioner John Garamendi pressing the flesh at a Democratic Party event is nothing new, of course. He's been doing that since his first run for the Assembly in 1974. It's just that as Garamendi

Continued on page 14

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Kathleen Brown

Illustration by Jonni Hill

What's in a name? Plenty.

By Mary Beth Barber

As Kathleen Brown walked toward the podium of the posh Beverly hotel ballroom, Aretha Franklin's "Respect" blasted over the loudspeakers. The song was more than an introduction for this all-but-declared gubernatorial candidate. It was an anthem for her and many of the mostly female crowd that had spent $150 each to hear it.

Brown will likely have to beat two long-established male political figures to reach her goal: Insurance Commissioner John Garamendi in the Democratic primary and incumbent Governor Pete Wilson in November. The song was a heady reminder of how far this youngest Brown has come, and how far she, and the other women in attendance, still have to go. For in ways both subtle and overt, her opponents will be waging a campaign against both her experience and her

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gender, although certainly the latter will be well-masked. Already, Wilson's communications director Dan Schnur has referred to her with the diminutive "Kathy" instead of her preferred "Kathleen." Garamendi's done that, too. The sign is clear. Although the Wilson campaign may fear Kathleen Brown, who is trouncing Wilson in early polling, they don't yet respect her.

A week later, Brown spoke to the conservative Comstock Club in Sacramento. No introductory music this time, and the reception was cooler than the week before in Beverly Hills.

"Just respect me," Brown joked with the audience, although the comment fell flat.

Former Governor Edmund G. "Pat" Brown, then San Francisco's district attorney shares time with his family at home. With him is daughter Kathleen (on his knee); wife Bernice; daughter Barbara, son Jerry, and daughter Cynthia. (1946)

Speaking to the women in Beverly Hills was much easier; Brown had the assistance of Texas Governor Ann Richards, who can spin a yarn, talk dirty politics and propose policy in the same speech — entertaining the audience all the while. Brown, while savvy, is no Ann Richards when it comes to humor. So her tone was more serious as she frankly asked the audience, in response to the "Kathy" jab, "What's in a name?"

Well ... a lot for this 48-year-old state treasurer, in the last name as well as the first. Kathleen Brown is the youngest child of former Governor Edmund G. "Pat" Brown and sister of former Governor Edmund G. "Jerry" Brown Jr. Some benefits are to be had from being a member of the Brown clan, says the treasurer, most notably name recognition and second-hand experience. Not to mention, she joked, a possible genetic defect that drives family members to the tortures of campaigning for the executive position. "It's in the blood," she says. "I won't deny that."

Those who know her say that Kathleen resembles her father more than her brother. All three Browns habitually look people in the eyes and seemingly sum them up in a split second, figuring out who they are and what makes them tick. It's a trait of Kathleen's that can make one uneasy. But where Jerry would often follow the gaze with off-putting conversation, Kathleen, like her father, follows with her classic smile and warm handshake. Kathleen's eyes share time with everybody's eyes when she enters a room, no matter how many people inhabit the space. If she can actually reach out and touch others, all the better.

Lineage is only part of why Kathleen Brown feels it's time for her turn in the governor's office. Most of the motivation, she says, comes from her love for the state where this fourth generation Californian grew up. "I'm old enough to know first-hand why California is called the Golden State," she explained, "but I'm young enough to care more about the future than the past." She wants California back on its feet, and that can't be done, claims Brown, without some strong leadership from the chief executive position. "I know what a governor can do, and I know what's not being done," she said.

The statement is a poke at Wilson, who Brown feels has harmed the state by not taking a strong leadership role during California's time of crisis. "I think you can't blame Pete Wilson for all the natural disasters and physical disasters that have befallen California," but you can blame him for not making the tough decisions necessary to get the state back on track, she said. It was the 1992 budget fight that really convinced her that someone else needed to be governor. When Wilson engaged in a stalemate with the Legislature that year, he "played Russian Roulette with the state's [bond] rating.

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Former Governor Edmund G. "Pat" Brown kisses daughter Kathleen after swearing her in as California's 28th state treasurer on a rain-drenched January morning in Sacramento in 1991.

I think it was a disaster and I think it was wrong," she said. Between that move and Proposition 165, Wilson's welfare and state emergency-financing initiative that would have transferred even more budget-making power to the governor, Brown was convinced that Wilson had to be out if California was going to survive.

The jabs at Wilson are a few of many from both Brown and Garamendi. Both Democratic candidates are pointing fingers at the incumbent in this game of political king-of-the-mountain, a game in which Brown got to the top early. An October Field Poll placed her 14 points ahead of Garamendi and 17 points ahead of Wilson — a statistic that, while impressive, says more about Wilson's unpopularity than her pull with the voters. In an October *Los Angeles Times* poll, 57 percent of those polled said they didn't know enough about her to form an opinion.

Others are confused as well. One television reporter blundered in saying that Brown was the sister of Jerry and the daughter of *Willie* Brown, the speaker of the Assembly whose African-American heritage heightened the chuckles at the reporter's mistake. But the mistake only drove home the point that Brown, despite her background and stint as treasurer, is a relative newcomer to big-time California politics, and voters want to know who she is and where she comes from.

As the youngest of Pat Brown's children, she was the only one still living at home when he took over the governorship. The other kids had moved away from home; Jerry was studying at the seminary. Her early teenage years were spent trying to avoid the public life of the governorship and just be a kid. She requested that the police escort who drove her to and from school drop her off blocks away so she could walk with her friends without drawing needless attention to herself; she had slumber parties in the ballroom at the grandiose governor's mansion that has since been turned into a museum; she gave a bear-clawed antique tub a manicure with bright fingernail polish. When the spotlight became too much during her high school years, she left for a private boarding school in Monterey where she found herself one of the school's worst delinquents by smoking a cigarette during a dance. John F. Kennedy sent his congratulations when she graduated from high school and moved on to Stanford.

Her father has, on more than one occasion, remarked that his youngest child was destined for political life. For years she denied the urging and coaxing, saying that her own family came first. That family consisted of George Arthur Rice III — her first husband she married while she was still a student at Stanford — and their first child, then their second, then their third. The family moved to Boston so Rice could attend Harvard Law School, and then back to Los Angeles. Brown found taking care of her family a full-time job that suited her just fine — until there was an opening on the Los Angeles Unified School District board. She ran, won and sat on the board from 1975 to 1980. It was a time when the district was engaged in the explosive topic of mandatory school busing which politically divided the school board, and Brown was one of its more liberal members.

If the new public career suited Brown, it wasn't good for her marriage. She and George Rice split about three years after her career on the school board began, and Brown found herself as a new divorcee with three children to raise. She also found, about a year later, a new husband. Or

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When asked questions about proposals or concepts that are not her own, she keeps her cards close. The tendency can be read as caution, or political evasiveness.

rather, he found her. The tale of her marriage to Van Gordon Sauter, the head of Fox News, reeks of charm and romance. The rather conservative Sauter saw the relatively liberal Brown on television discussing school busing and disagreed with her immensely. He wanted to meet her, so he arranged a blind date through a friend. Brown told *Vogue* magazine that at the end of that first date he thought she would marry him, and she thought he was out of his mind. Yet a year later they were married, and his two children increased the flock to five between them.

The marriage also meant a move to New York City with Sauter, who had just been appointed president of CBS Sports. Leaving the school board was a tough move for Brown and disappointed Los Angeles liberals who feared, correctly, the vacant seat would go to someone more conservative. But Brown didn't want to be a bi-coastal board member and desired to be with her family. She gave up the political position for a new life in the Big Apple that included a law degree from Fordham University and a corporate law career.

Sauter's time with CBS was limited, however, and he was fired in 1987. The Brown-Sauter family returned to the West Coast. He went to work with the Fox Network and she to politics. Brown's first stint was as a Tom Bradley appointee to the powerful Los Angeles Board of Public Works. She gained experience in public financing, and the background gave credibility to her next political move: the successful 1990 run for treasurer against Republican Tom Hayes.

Picking up some credentials helped, but it was the Brown family name that clearly carried the day, giving her instant name identification and access to a substantial fund-raising base. Her rise from a local school board to statewide office, a jump impossible for the politically humdrum, parallels the path her brother took. Jerry went from the Los Angeles Community College Board to being secretary of state before becoming governor. And there's no question that the Brown magic is helping her again. She's managed to push aside several other ambitious Democrats to become the front-running pretender to the state's highest office.

Although she gains some public identity from the name — and she hopes more from her well-regarded father than the "moonbeam" image of her brother — she has yet to establish her own image with the state's voters.

Wilson's folks are delighted to fill in the blanks. "Kathleen Brown doesn't take a stand; she strikes a pose," Schnur quipped to the *San Jose Mercury-News*. The snippet fits a composite that's been drawn by Brown opponents of an overly ambitious politician who expects to ride on the coattails of her family without proposing anything of substance. "She's bright, she's personable, she's mediagenic, but eventually people are going to find out that on every side of every issue you'll find Kathleen Brown," Schnur told the *San Francisco Chronicle*.

Early on, the Wilson camp pointed to Brown's ambiguous position on the volatile school busing issue when she was on the Los Angeles school board. Even some Brown admirers from that period find it difficult to figure out just where she stood at the time. And the charge was reinforced earlier this year when she changed her position on the North American Free Trade Agreement, a treaty supported by business types but abhorred by labor groups who fear an exodus of jobs to low-wage Mexico. Brown had supported the free-trade agreement prior to last Labor Day, when she sent a letter to President Bill Clinton, voicing her opposition. "[The treaty] sells California, our workers and our country short," by not including protection for American workers or the environment; additionally, Mexico's market wouldn't be open as much as the United States' would, and the imbalance would hurt California and the nation.

Brown's adversaries say her reasoning rings hollow in light of statements by the AFL-CIO's Jack Henning last May, when he said that her endorsement of NAFTA would have a "grave impact" on her endorsement in the governor's race. Translation: endorse NAFTA, lose labor campaign dollars. Brown campaign policy director Roy Behr said that Henning's comments had nothing to do with her position and that Brown would support a treaty that had sufficient safeguards for American workers and businesses.

Adversaries have also painted her as someone without a real message to send California. "I don't think Kathleen Brown has given anybody a reason to vote for her yet," says conservative GOP political consultant Wayne Johnson. Johnson, of course, may be missing the point. If the political polls are right, voters don't need a reason to vote for Brown, they are happy just to have a reason to vote against Wilson.

Still, Schnur claims that the few times Brown does say something of substance — such as her criticisms of Wilson's immigration policy that seeks to limit education and health care to illegal immigrants — she's inaccurate. She accused Wilson of encouraging health officials to turn away injured immigrants, while Schnur claims that Wilson's proposal wouldn't force doctors to go against their Hippocratic oaths. "She obviously doesn't know what she's talking about," he said, adding that calling her "Kathy" in that particular instance is perfectly acceptable, despite accusations that it was a sexist remark. "If she, or anybody else, says something so naive and uninformed, I will refer to her, or him, in that way," he said. "It has nothing to do with gender."

Personal attacks aside, Brown and Wilson's immigration policies differ in that Wilson supports limiting education, health care and welfare to illegal immigrants, while Brown supports strict employer sanctions for those who hire illegal aliens. Both endorse the idea of a tamper-proof form of identification, Brown for employees and Wilson for recipients of health care, welfare and education.

What Brown foes like to characterize as indecisiveness

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and naivete´, friends call caution. "She's extraordinarily cautious," said Democratic Assemblyman Steve Peace of Chula Vista. "Especially publicly. She doesn't want to be seen as whimsical." And she's getting more bold by the day, said Behr. "Her policy decisions reflect almost revolutionary changes," he said, referring to the tamper-proof identification card to curb illegal immigration and her educational proposals. She supports rewarding schools financially when they show improvement and allowing many financial decisions to take place within the schools. While she campaigned to defeat the voucher initiative, she thinks that the powerful California Teachers' Association "needs to be challenged, just like every other special-interest group in Sacramento needs to be challenged." She also proposed an alternative school for kids caught with weapons on campus that aims at rehabilitation; its 10 hours a day, six days a week regimen resembles boot camp more than traditional school, and would be a year requirement.

While the series of policy plans that she has released are specific and detailed, her political enemies have gained some ammunition for the "wishy-washy" accusation. When asked questions about proposals or concepts that are not her own, she keeps her cards close. The tendency can be read as caution, or political evasiveness. She supports the notion of encouraging business in the state but not by chasing them with tax incentives without guarantees — yet she didn't oppose the omnibus business-tax bill that Democratic Assemblyman Phil Isenberg of Sacramento called "The Big Tax Giveaway Act of 1993." She's turned her back on NAFTA. And despite her knowledge of Los Angeles' sprawling school district and personal feeling that it's too big, she's not sure whether she supports Senate President Pro Tempore David Roberti's plan to break it up into smaller districts because, she claims, she hasn't seen the exact proposal.

Some who have worked closely with her in the past note Brown's ability to wriggle away from answering tough questions. "Kathleen was always a pleasure to work with," Roberta Weintraub, president of the Los Angeles Unified School Board and a strong opponent of busing when Brown was a member, said recently to the *Los Angeles Reader*; "though to this day I'm not certain how she stood. She tried to strike a balance between two polarized factions." Even through the most heated meetings, Brown was never confrontational and remained politically unscathed from the experience. "She really came out so clean," said Weintraub. "She had an amazing ability to slip between the lines."

While Brown is critical of Wilson, she, as yet, has nothing negative to say about Garamendi — except that she'd be the better chief executive. She's got better leadership skills and a larger breadth of experience, especially outside of state politics, claims Behr, and her background is a plus with voters who distrust long-time politicians. But don't expect Brown to go head to head with Garamendi. She's planning on avoiding a political fist-fight with a fellow Democrat at all costs.

The only ones who may be bothered by Brown's extreme caution, whether it's answering questions or challenging Garamendi, may be Sacramento insiders and political reporters. State Democratic Party political director Bob Muholland points out that Ronald Reagan was a great candidate who somehow weaseled out of most questions. And Wilson's attempts to make Brown appear naive have fallen flat, especially in light of the series of detailed policy statements she's made more recently. Muholland believes that the demeaning comments from Wilson's minions that capitalize on her gender — the most blatant being the "Kathy" reference — will backfire. "The tactics might work in Mississippi," he says, "but definitely won't fly with California suburban women. Pete Wilson risks alienating them."

Her rise from a local school board to statewide office, a jump impossible for the politically humdrum, parallels the path her brother took.

Brown's opponents are counting on the death penalty to be Brown's fly in the ointment; she personally opposes it while both Garamendi and Wilson support it. Behr claims it shouldn't be an issue because she will carry out the law regardless of her personal opinions. Yet during a campaign, the death penalty separates the real law-and-order candidates from the others in the eyes of the voters. Brown's gender may be a hinderance in this area; female candidates have a tendency to be viewed as weak on crime. And Brown's opponents are expected to capitalize on Jerry's record, especially his appointment of Justice Rose Bird to the state Supreme Court. The voters showed their dislike for Bird in 1986 by denying her confirmation, consequently kicking her off the court. Like Brown, Bird claimed when she was appointed that, regardless of her personal opinions, she would carry out the law.

Republican Steve Merksamer, former Governor George Deukmejian's chief of staff, thinks that the key to most elections is who can stand the heat of a political fight; who has the "glass jaw" that will break when hit squarely. Brown is surely going to have to take some swift jabs and swing a few of her own. Both Wilson and Garamendi have shown to have jaws of steel rather than glass after years of running for public office. But Brown is a different matter — she's the newcomer. "There's just no way to tell," says Merksamer.

Brown, despite her current support, knows that the road to the governor's office isn't an easy one. Ann Richards told the crowd in Beverly Hills that "Kathleen is going to need all of your support and most of your money." Brown says she has warned Sauter that he won't recognize her once the enemies' political dogs start painting her in the press. But she also thinks her experience outside Sacramento is a winning combination with her record as a hard-working treasurer, one that may boost her over the gender hurdle. "It is very true that women have had a difficult time moving into executive positions — both in government and business," but the voters will see her as the best leader for California, regardless of her gender. "I give the voters a lot of credit. They understand a whole lot more than some politicians give them credit for."

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plodded through a crowd of Brown supporters talking up his own gubernatorial race, he seemed once again to be in a position he has occupied for much of his public life.

Odd-man out.

It's not as if the 48-year-old Garamendi needs to work that hard to get attention. As California's first elected insurance commissioner, he is the state's second most visible elected official, behind the governor. Garamendi, however, never seems to lighten up or stop pushing. Armed with intellect and a driving ambition, he has spent two decades pushing himself into a prominence almost unheard of for a politician whose roots are in the state's backwaters. But that same furious ambition is also seen as his Achilles' heel — the fatal flaw behind several, high-profile missteps that leave him battling underdog status in a year which should be his golden opportunity.

On paper, Garamendi looks like a political consultant's dream. He was raised on the family cattle ranch near the Sierra foothill community of Mokelumne Hill ("in the middle of nowhere," he concedes). An all-Pac8 football star at the University of California, Berkeley, who played both offense *and* defense, Garamendi passed up the NFL draft to enter the Peace Corps, along with his new wife Patti. The two served their two-year hitch in Ethiopia, leaving the Peace Corps with an affection that extends to the present day, with Patti's appointment as an assistant director for the organization. An MBA from Harvard and a stint in international finance followed before the couple returned to California and the ranch in 1971.

From the get-go, the Garamendis plunged into local community activities, working on park boards and organizing grassroots campaigns for one cause or another. It wasn't until 1974, in the shadow of Watergate, that the Legislature beckoned. "Actually, Patti and I flipped a coin to see who would run," he notes. "I don't know if I won or lost, but anyway, I ran." Ran and won, with Patti and future Senator Pat Johnston running his campaign.

In 1976 Garamendi moved over to the Senate. Four years later, still in his early 30s, Garamendi became Senate majority leader — the Senate's number-two position — as part of the leadership shake-up which installed Senate President pro Tempore David Roberti. For the next 14 years, the hard-charging senator from the sticks had a hand in more than his share of signature achievements. In 1987 he tackled the humongous task of conforming California's tax laws to the newly revamped federal tax laws, emerging with a compromise that achieved both reform and simplification. Garamendi even let his name be appended to a gas-tax increase, as author and lead legislative negotiator for the voter-approved transportation measure, Proposition 111.

John Garamendi relaxes at his ranch.

While sticking your neck out may be a good way to make public policy, it has its drawbacks as a political strategy. In 1982 ambition got the better of the 37-year-old senator, who passed up career-building constitutional offices to run for governor. Still relatively unknown outside of Sacramento, he was thrashed in the Democratic primary by then-Los Angeles Mayor Tom Bradley. Despite widespread consensus that he wasn't yet ready for such a race, Garamendi still has no regrets. "It was a good political experience and, more importantly, a good intellectual experience," he says.

The failed run for governor cost Garamendi dearly. Two years later he was stripped of his post as Senate majority leader amid charges that he was spending too much time on his own future and not enough on the party's. In 1986 he was left swinging in the breeze in an embarrassing coup attempt aimed at Roberti. That same year, he lost to Gray Davis in the 1986 Democratic primary for controller.

In 1990 Garamendi took what some considered the biggest gamble of his career by running for a job nobody seemed to want — the state's first elected state insurance commissioner. The post was viewed as a political dead-end primarily because of the law which created it — insurance reform Proposition 103.

"I told John Garamendi [and his competitors]

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that they were crazy to run for this office," says Darry Sragow, who now serves as Garamendi's chief political advisor. "It was just going to be, I thought, a political graveyard for whomever won."

Garamendi easily defeated his relatively unknown opposition and immediately set about changing people's minds about the job. Wielding the considerable power of the office, Garamendi seized and restructured two failing insurance companies, preserving the investments of thousands of policy holders. He created a comprehensive rate-comparison survey for home and car insurance, identifying "the good, the bad and the ugly." On Proposition 103, Garamendi has cut deals with a steadily growing number of insurers to put promised rebate checks into the hands of more than a million consumers. He has also drafted and re-drafted rate regulations, the most current incarnation of which are awaiting a decision of the state Supreme Court.

All this activism has, not surprisingly, won him few friends in the insurance industry. "I would say in general he has approached his job in a confrontational manner," says Thomas Conneely, president of the Association of California Insurance Companies. "He takes an attack position first, and does the talking [with the industry] later." Some of Garamendi's biggest fights have been with the Wilson administration, which this year rejected emergency rate regulations he'd written pending a court ruling on Proposition 103. "I think his ambition to become governor of the state has affected his entire conduct of the job," says Marjorie Berte, Governor Pete Wilson's insurance advisor.

If Garamendi's been grandstanding, however, consumer advocates don't seem to mind. Two different national studies indicate that California's insurance rates have gone from being the third fastest-growing to the third slowest-growing in the nation. Moreover, even previous critics say Garamendi has turned the office into a bully pulpit widely viewed as an effective advocate of consumers' rights.

"I think he, more than any other official, is making an elected office what it should be," raves Harvey Rosenfield, the attorney/activist who drafted Proposition 103. "I don't care what his motive is. He's out there trying to get things done."

While Garamendi has shown the insurance commissioner's job is not a political backwater, he is still a long way from demonstrating its effectiveness as a stepping stone to higher office. To do that, he must first get past Brown, who seems to have already been anointed as the Democratic nominee. If successful, he must then square off against a fellow street brawler, Pete Wilson. Garamendi's campaign strategy so far has challenged many of the conventional precepts that have emerged about the 1994 race. Shunning Brown's more "touchy-feely" approach, Garamendi has taken issue specificity to almost Clintonesque extremes — especially on health-care reform. He's held umpteen public forums on the subject and can literally "wonk on" about it for hours. He'll also talk your ear off about pay-at-the-pump, no-fault auto insurance, further workers' compensation reform and, of course, his own record.

Regarding Bill Clinton, Garamendi again defies conventional wisdom by continuing to play up his association with the troubled president. Garamendi served as Clinton's California campaign chairman during the 1992 election, although his role was eclipsed by events when then-President George Bush abandoned any pretense of campaigning in California. Still, the Garamendi's annual mass-mailing Christmas cards in 1992 included Clinton in the traditional family portrait. Garamendi's own scheme for "managed competition" in health reform heavily influenced Clinton's plan; not surprising, since one of the Clinton plan's architects, Walter Zelman, worked on the issue for Garamendi before moving to Washington. Zelman credits the commissioner with fostering an environment "where the goal was to create good policy and worry about the politics later."

Garamendi has also taken a pass on the recent wave of illegal immigrant bashing. While Wilson has talked about shutting off state funding for health and education services, and Brown talks up tamper-proof ID cards, Garamendi

John and Patti Garamendi

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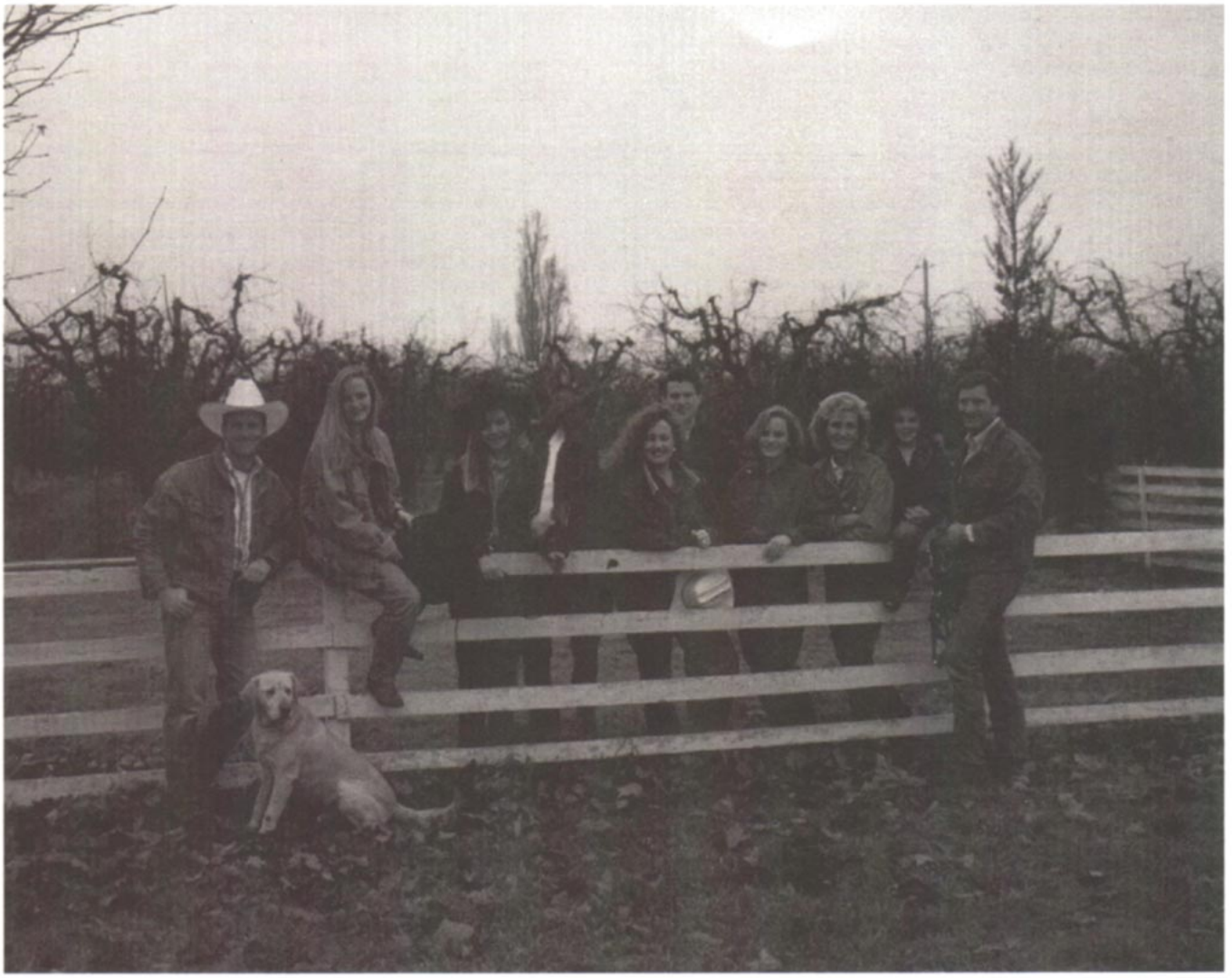

Photo by Richard Briggs

Garamendi family portraits usually arrive in many California mailboxes around Christmas.

maintains the high-profile focus on the issue is born of cynicism. Side-stepping the culpability of Democratic politicians, Garamendi aims most of his derision at the governor. "There's a heavy dose of racism in this," he snaps. "Pete Wilson has said it's okay to be racist. We can't have that in California."

No matter how popular, or unpopular his stands on the issues, California's insurance commissioner suffers from an image problem — he rubs a lot of people the wrong way. John Garamendi may send out a long and impressive resume, but where it says "personal references available upon request" ... well, just don't request. "There aren't a lot of warm and fuzzy feelings left between Garamendi and the Legislature," notes Consumers Union's Judith Bell.

For some in Sacramento, the problem isn't John, it's Patti. Mrs. Garamendi's own political ambitions are documented in two failed bids for the Legislature, and a narrow loss to Republican Richard Pombo last year in a congressional race. John's own efforts on his wife's behalf got him into trouble in 1990. When it was clear he was running for insurance commissioner, Garamendi timed his resignation from the Senate to consolidate the special election with the November general election. While he insisted it was to save the state money, the maneuver had the effect of forcing Assemblyman Pat Johnston — his old campaign manager — to run in the special Senate election against Patti while simultaneously running for his Assembly seat. Johnston got the last laugh, beating Patti handily, but ill-will in the district lingered. Last year, she was narrowly defeated in a bid for Congress by the conservative Pombo, despite strong Democratic registration and 93 percent name identification in the district.

Many of Garamendi's former colleagues, however, were simply put off by his personality — what one former colleague described as "this holier-than-thou" attitude. His ambition is so palpable, it prompted one Republican consultant to joke that "when John Garamendi shaves in the morning, he sees the president of the United States...or higher." Some Democrats in the Legislature, including Democratic Assemblyman John Vasconcellos of San Jose, have not so subtly hinted that Garamendi should step aside for Brown. "I keep hoping," says Vasconcellos sarcastically, "that John will go to Washington and do something brilliant for the *rest* of the country."

In answering the criticism, Garamendi is hoping voters will view the sniping from his former legislative colleagues the way Harvey Rosenfield does — as "a red badge of courage."

"The notion that John Garamendi is going to have

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enemies as well as friends says to me that he's getting things done," says Sragow. The commissioner himself sloughs off criticism from insurance companies as something to be expected because "I'm their regulator ... I'm their policeman, and I'm not on the take." As for his relentless ambition, Garamendi again unrepentantly pleads guilty, saying it has helped him build a record that neither Brown nor Wilson can touch.

"I produced as a legislator, and I've damn sure produced as insurance commissioner," he insists. "You're damn right, I'm ambitious ... ambitious to get the job done."

Can a man prone to occasional political miscalculation, disliked by some of his party's regulars and closely allied with an unpopular president win a primary against a candidate with Brown's star quality? A growing number of political pros believe the answer is "yes," notwithstanding Brown's lead over Garamendi in pre-season head-to-head match-ups. "Garamendi is going to be much more formidable than people give him credit for," says veteran GOP consultant Steve Merksamer. "[He] knows what it takes to win campaigns. If [Brown] has a glass jaw, Garamendi will break it."

Garamendi's campaign can be summed up in three words: attack, attack, attack. Early on, his barbs were aimed almost exclusively at Wilson, whom he says "couldn't lead a Boy Scout troop home from a rained-out weeny roast at the local park." However, his focus broadened last month when he spoke to a Democratic unity dinner sponsored by Assembly Speaker Willie Brown Jr. In what one consultant described as a "turd in the punchbowl" speech, Garamendi zeroed in on Brown's flip-flop on the North American Free Trade Agreement (NAFTA), saying there was no room for politicians who "tack to the political winds." Even more pointedly, he borrowed a page from Feinstein's playbook and assailed Brown's opposition to the death penalty.

"You cannot say you are morally opposed to capital punishment, but perfectly willing to carry it out," he told the miffed gathering. "That doesn't sell, nor is it honest."

The approach bears a marked similarity to that used by Dianne Feinstein in her 1990 come-from-behind primary win against the seemingly invincible John Van de Kamp, not surprising since his consultant, Darry Sragow, also helped direct Feinstein's race. Sragow insists the early polls mean little, and the gap between Garamendi and Brown will close once voters focus more on the issues than on "the Brown name." Sragow is also unconcerned about Brown's huge fund-raising advantage. "John enters the race far better defined than Kathleen among voters who are going to make a difference," he says. "She needs to spend more money than we do to establish her political persona."

Still, the head of steam already under Brown's bandwagon remains Garamendi's biggest obstacle. But the inner force that has propelled Garamendi from the backroads of Mokelumne Hill continues to hit on all cylinders, and he makes it clear he's not going to go away.

"Reporters and other political insiders think that my opponent is supposed to be governor," he admits. "But," he adds with characteristic bravado, "that is a decision for the voters to make."

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Squeezing one more vote out of California

Illustration by Washington Post Syndicate

If it were a movie, Election'93 wouldn't qualify as an epic like "Gone With the Wind" or "DancesWith Wolves." Nor would it be an amusing little distraction like "Cinema Paradiso." More like "Gettysburg" — long stretches of deadly babble broken now and then by sharp skirmishes. As such, Election '93 has droned endlessly on through the year, kept alive by sporadic clips of special elections. And it is not over; three days after Christmas, voters in parts of San Diego once again will trudge to the polls to elect a state senator from District 40.

The biggest segment of this "off year" reel showed on November 2nd, when voters went to the polls in an unusual statewide election to decide the fate of seven ballot measures and a smattering of local and legislative races. The election had been called this summer by Governor Pete Wilson to allow voters the opportunity to vote on the permanent extension of a half-cent sales tax, set to expire last June but temporarily extended by the Legislature until voters had their say. That measure was Proposition 172 (see page 20), placed before voters by the Legislature.

Proposition 172 wasn't alone on the ballot, however. Lawmakers added five more measures, dealing with such items as budget trailer bills, property tax exemptions for victims of natural disasters and a change in the requirement for passing local school-bond proposals. The ballot also featured one initiative — Proposition 174, the school-voucher proposal that had qualified for June 1994 but was moved up when Wilson called a special statewide election.

In the end, voters proved surly. Down went Proposition 168, which would have exempted small public-housing projects from having to be approved by local voters (lost 60 percent to 40 percent). Down went Proposition 169, which would have allowed the Legislature to lump all budget trailer bills into one large bill (lost 62 percent to 38 percent). Down went Proposition 173, which would have made it easier for first-time home-buyers to get mortgage insurance (lost 58 percent to 42 percent). Little money was spent on any of these measures, and there was little campaigning either for or against them. As a result, voters were left to themselves.

The other losers — Propositions 170 and 174 — are reviewed in more detail below, as is Proposition 172, one of the day's two winners. The only other measure to pass was

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Proposition 171, which allows owners of homes destroyed in natural disasters the chance to rebuild in another county without being assessed a higher property tax rate. Voters gave it a narrow 51 percent-49 percent victory. There was little campaign surrounding this measure — until the last few days when Mother Nature provided a boost by torching huge chunks of Southern California.

The November election also included four legislative races — all the result of special elections. Republicans did especially well, picking up one seat in the Senate and another in the Assembly that previously had belonged to Democrats (see stories, beginning on page 22). The GOP also retained another seat in the Senate and forced a December 28th run off in a San Diego Senate district long held by Democrats.

Finally, voters in San Francisco approved a local measure to allow Police Officer Bob Geary to use his puppet — Brendan O'Smarty — while patrolling on duty. It passed 51 percent to 49 percent. Many of those asked about the measure expressed dismay that the ballot was cluttered with this kind of a proposal, and it is thought that the high negative vote was a reaction to having to decide the issue rather than any personal attack on dummy O'Smarty.

—A.G. Block

Proposition 170: Swamped by lingering tax revolt

Yes	1,417,446	(31%)
No	**3,198,810**	**(69%)**

While Californians can surprise and confound pundits on many issues, there is one button that, if pushed, produces a reliable — almost Pavlovian — reaction. The button is labeled "Proposition 13" and backers of that political icon used it to sink Proposition 170, the measure to allow local school bonds to be approved by majority vote, rather than a two-thirds vote.

To many voters, Proposition 170 was just part of "the field" — one of those "other" measures that wasn't sales tax or voucher-related. But to those fighting it, the battle over local school-bond authority was every bit as serious and ideological as either of the two marquee issues. Supporters argued that the two-thirds vote requirement for local school bonds, which has existed for a century, had shackled local districts, forcing them to defer growth decisions to the state. For them, it was a simple question of local control. For opponents, it was not a question of whether schools need to be built, but rather who pays the tab. A two-thirds vote, they argue, insures that a majority of property owners, whose money would be used to pay off the bonds, will agree with the policy.

"We chose to draw our 'line in the sand' on this issue not because we're against schools, but because we felt that now is the time to defend that two-thirds vote," says Joel Fox, president of the Howard Jarvis Taxpayers Association.

While both sides believe their positions to be in the mainstream, opponents of Proposition 170 had two other things going for them: money and Proposition 13. Through October 28th, the Jarvis organization was the leading contributor to the anti-170 campaign, which had outraised proponents nearly two-to-one ($1.18 million to $633,500). The Jarvis organization pitched in more than $500,000 after making defeat of 170 its top priority, and it was able to direct a sizeable chunk of money into advertising — especially radio spots.

Then there was the campaign itself. Fox says that if 170 had passed, "We would have seen efforts to knock down all the two-thirds vote requirements." That argument, made in the campaign, made it sound like Proposition 13 was at immediate risk, even though 170 itself wouldn't have touched a hair on Proposition 13's head. "The Jarvis group did a very good job ... in confusing Proposition 170 with the erosion of Proposition 13," says Phil White, superintendent of Alameda County's Liberty Union High School District.

For some, the election was doomed from the start because of timing. The main legislative sponsor, Democratic Assemblyman Jack O'Connell of Carpenteria, had tried in vain to get the proposition moved to the June 1994 ballot, and he believes the decibel level created by vouchers and the sales-tax extension drowned out his proposal.

"The resources of the education community were diverted almost exclusively to Proposition 174 [school vouchers]," says O'Connell. "The education community made the defeat of Proposition 174 the highest priority, and that worked to the detriment of Proposition 170."

White, however, believes the election was really lost during the summer, when supporters couldn't decide whether to press on, or go along with O'Connell's bid to remove it from the ballot altogether. "That indecision hurt us from a fund-raising standpoint ... and led to a lot of second-guessing," he says.

What-ifs aside, Tuesday's vote means the responsibility for school construction remains in the hands of the state, which can pass its general-obligation bonds on a simple majority vote. O'Connell says it's too soon to say whether he'll reintroduce the same idea next year, but he insists "the problems of inadequate school construction and large class sizes won't go away." While Fox sympathizes with the concerns about local control, he believes the two-thirds majority should remain until a way is found to more equitably spread the burden for paying off those debts.

"Voters see taxes going up and they know there are very few protections they can have," he says. "[By rejecting 170], voters really won some control over their taxes."

— Steve Scott

Proposition 172: Voters approve sales-tax extension

Yes	**2,699,521**	**(58%)**
No	1,977,097	(42%)

Apparently moved by images of firefighters battling fires in Southern California and frightened by dire warnings of inmates being released and massive layoffs of police and deputy sheriffs, voters approved Proposition 172, which permanently extends a half-cent sales tax and dedicates the revenue to local governments to help fund public safety. The margin of victory was 57 percent to 43 percent.

Opponents, however, warn that voters will be severely disappointed and angry if it turns out that local governments don't use the money as proponents have vowed they will.

"During the debates, in the course of the campaign, [Proposition 172 supporters] acknowledged that [the language

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of the bill that created the measure] does not assure that this goes to the Local Public Safety Fund," said Lewis Uhler, president of the National Tax Limitation Committee and a leading opponent of the measure. The fund in question was created by the proposition to capture revenues generated by the tax. "They say, 'We'll use our political clout to achieve our objective.' My concern is there's no necessary correlation between these funds and law enforcement."

Proposition 172 was the main reason a statewide election was held at all in the off-year of 1993. It was placed on the ballot by the Legislature after Governor Pete Wilson and lawmakers balanced the 1993-94 state budget by taking $2.3 billion from city and county governments. Revenue from the the sales-tax extension is meant to backfill local governments for that loss. Proposition 172 supporters included Wilson and Assembly Speaker Willie Brown Jr., who each contributed at least $127,000 to help pass the measure. "We've done a lot of tax issues, and we find the public is very discriminating when it comes to tax issues," said Stu Mollrich, whose firm, Butcher, Forde Mollrich, ran the "Yes on Proposition 172" and "No on Proposition 170" campaigns. Ironically in 1978, the old Butcher-Forde firm ran the campaign to pass the grand poohbah of all anti-tax measures — Jarvis-Gann's Proposition 13.

Proponents raised about $2.4 million, dwarfing the $54,000 war chest of opponents.

— *Danielle Starkey*

Proposition 174

Vouchers lose big

Yes	1,451,721	(30%)
No	**3,335,385**	**(70%)**

Proposition 174 — the controversial and expensive school-voucher initiative — went down to ignominious defeat last month, losing by better than a two-to-one margin. But opponents of Proposition 174, who spent nearly $18 million to kill it, might want to pause before breaking into a victory dance. There is evidence that they did not drive a stake through the heart of school choice. If anything, opponents ought to take a look at what happened in the late 1960s and 1970s, when another wave of discontent — then, over property tax rates — fostered an initiative that also failed when it first appeared on a ballot in 1968. The underlying troubles behind that initiative were never addressed, and it returned a decade later — as Proposition 13.

Proposition 174 would have provided all school-age children in the state with a $2600 voucher to be redeemed by the child's parents at any participating public, private or religious school. Although it was seen by its opponents as an attack on public education, the initiative may have provided the education establishment with a wake-up call (see *CJ*, October 1993). Atlhough voters defeated the measure 70 percent to 30 percent, many observers warn that the loss should not be seen as an endorsement of California's public schools. Quite the contrary, they say: Californians are frustrated, dissillusioned and won't settle for maintaining the status quo.

Will the measure's opponents, including the powerful California Teachers' Association and most of the state's education establishment, heed the warnings? Or will they, as the state's political leadership did during the 1970s, ignore the flashing lights and not address public concerns over education?

"When you wake up, you have to have something to do," said Michael Kirst, former president of the State Board of Education and director of Policy Analysis for California Education (PACE) — an independent research group affiliated with Stanford and the University of California, Berkeley. PACE was neutral on Proposition 174.

Kirst, for one, remains skeptical about the delivery of any substantive education reforms, basing his skepticism on the anti-174 campaign itself. There, Kirst said, opponents attacked the initiative itself and "produced zero ideas in terms of any major policy alternative to vouchers."

Proposition 174 opponents don't dispute Kirst's allegations. They fought against the initiative, they say. It wasn't the job of "No on 174" to take on the ills of public education, said campaign manager Rick Manter. Rick Ruiz, a spokesman for the "No" campaign, concedes that voters opposed the initiative itself rather than the idea of school choice. Ruiz attributes this to a reaction against a "poorly written initiative that's easy to pick apart."

For their part, CTA officials downplayed the victory and instead tried to address the overall issue of reform. "No one in CTA interprets [the Proposition 174] vote as a mandate for 'business as usual,'" said CTA President Del Weber. "We must reform our public schools. And we in CTA believe that we can reform them — that we can make them once more the envy of the world."

But those words provided little comfort to Proposition 174 proponents, who remain unwavering in their criticism. "The education establishment has no ideas on education reform, they have nothing to offer. They are bankrupt," said Terry Moe, a voucher proponent who works at Stanford's Hoover Institution.

"[The CTA's] stake [in the Proposition 174 battle] had nothing to do with children," said Ken Khachigian, the former aide to President Ronald Reagan who ran the pro-174 campaign. "It had to do with their desire to maintain control of education policy in California. If nothing else, we've opened the book on the CTA. I hope it's the start of scrutiny on the way they spend their money and exercise their power in Sacramento."

To pass Proposition 174, its supporters faced a rugged uphill battle. The measure trailed badly in polls, and proponents had little money to sell their side of the story. The anti-174 forces, meanwhile, fueled by what appeared to be a limitless money pipeline from the CTA, took their message to the public in the form of biting television ads that began showing statewide more than six weeks before voters cast their ballots. And as waves of opinion polls revealed, the more voters learned about the initiative, the less they liked it.

Khachigian said that his effort was hampered by what he termed the "wimping out of the business community" and by Governor Pete Wilson's opposition. Nor, he said, were state Republican leaders forthcoming in their support, even though the party endorsed 174 at its statewide convention. But the real problem was lack of money, he said. "[Anti-174 forces] bombarded the airwaves in an almost Orwellian sense," he said, adding that the anti-voucher side bludgeoned the pro-voucher side with ads right up until election night.

Manter offered no apologies about the millions spent to defeat the initiative. "There was too much at stake," he said. "We built the largest broad-based citizen coalition in the state,

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which included President [Bill] Clinton, Governor Wilson, the all-Republican State Board of Education, and major business organizations," including Hewlett-Packard, he said.

If Proposition 174 proponents can take any solace from their experiences over the past eight months, it is the fact that they have helped move education reform onto the front burner, said Jim Guthrie of PACE. Evidence of that activity is everywhere. On Election Day, Wilson announced a five-point education-reform plan. Several days later, state Treasurer Kathleen Brown, a Democratic candidate for Wilson's job in 1994, outlined her education strategy in a speech before Sacramento's Comstock Club. Even Assembly Speaker Willie Brown Jr. is planning an education summit next spring, modeled on the economic summit he hosted last winter in Los Angeles.

"I can assure you that Wille Brown wouldn't be having an education summit ... if it weren't for 174," said Craig Powell, chairman of the California Republican Party.

If, as some suspect, opponents of Proposition 174 wanted to do more than merely defeat the measure, they may have failed. According to Sean Walsh, a spokesperson for the "Yes" campaign, opponents — especially the CTA — threw as much money as they did onto the 174 rock pile because they wanted a landslide. "It's possible that their line of thinking was the more they bury it, the less likely it is that we will come back," Walsh said.

Opponents got their money's worth — at the polls. By any measure, a 40-point drubbing falls into the landslide category. But Proposition 174 proponents seem unlikely to sink into the electoral abyss and promise that a re-tooled version of school choice will return. "174 was only the opening round," vowed Hoover's Terry Moe.

If those who defeated Proposition 174 think otherwise, they might well remember the 1960s and 1970s, when that other troublesome measure at first failed, then gathered steam when the root causes behind the initiative were never addressed. Eventually, Proposition 13 passed.

— Laura A. Locke

Senate District 4:
Johannessen takes seat for GOP

District 4 (48% D - 38% R)			
Podva	(D)	73,342	(39%)
Johannessen	**(R)**	**103,373**	**(56%)**
Sutley	(P&F)	9,623	(5%)

As expected, Republican Maurice Johannessen scooted to victory in the pre-reapportionment Senate District 4 — the Northern California district vacated earlier this year by Democrat Mike Thompson. Thompson subsequently was elected from District 2 in a special election to replace Democrat Barry Keene, who resigned in January. Johannessen, a Shasta County supervisor, overcame 11th-hour allegations that he had lied about his immigration status to a television reporter five years ago.

Johannessen, a native of Norway and wealthy real estate developer, contributed about $500,000 to his own campaign, in addition to receiving significant help from conservative Republican Senator Rob Hurtt of Garden Grove. He defeated Democrat Montana Podva, an Arbuckle attorney, 56 percent to 39 percent. He earlier had defeated former Assemblywoman Bev Hansen in an August 31st primary — a contest considered much tougher than the November 2nd run off.

Johannessen apparently wasn't harmed by stories in recent weeks that he had told a reporter in the late 1980s that he slipped into the country illegally as a teenager back in 1952. Wayne Johnson, his campaign consultant, said that the television intervew was "a little lifestyles kind of thing. It was a lighthearted, joking interview," and that Johannessen had never been in the country illegally. "There was never any question but that he was legally in the United States, but he didn't always have immigrant status. For two months there, he was on a tourist visa." Nor did voters pay much attention to a complaint filed by California Common Cause with the state Fair Political Practices Commission that Hurtt tried to circumvent state's campaign contribution limits in District 4.

Johannesson

Johnson said that his candidate benefited from the fact that the Democratic Party did very little to help Podva, who loaned his campaign about $50,000 of the total $56,000 raised.

Luke Breit, Podva's campaign consultant, said Johannessen was able to successfully deflect potential damage from the immigration issue "because they had the money to put a different twist on reality." He said that by the time the Democratic Party realized that Podva had a chance in the race, "the resources already were committed" to other races, such as Senate District 40 in San Diego and Assembly District 27 in Monterey (see page 26). Breit also said that while the teachers' union supported Podva, their endorsement didn't really help, since they were concentrating on Proposition 174, with a coalition of non-profit groups, which are prohibited from endorsing candidates.

Democrats say they are looking at next year, when the district switches over to the post-reapportionment District 4. Registration stays the same, 48 percent Democratic to 38 percent GOP, and while the district gains some more staunchly Republican voters in Siskiyou, Sutter and Trinity counties, it also gains Democratic voters in Yolo, Sacramento and Solano counties. Breit said that Podva is considering running again. Also thinking about running is Yolo County Supervisor Mike McGowan, an attorney who was West Sacramento's first mayor.

— Danielle Starkey

Senate District 11:
Tom Campbell makes comeback

Little more than a year after he was assigned to political oblivion in the 1992 GOP primary for U.S. Senate, former Republican Congressman Tom Campbell trounced all seven other candidates in the Senate District 11 race, thus avoiding a December 28th run off. Campbell replaces Republican Becky Morgan, who resigned from the Legislature earlier this year to head up a group trying to revitalize the Silicon Valley. The district represents the peninsula south of San Francisco and most of Silicon Valley. Campbell, who served one term in

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Congress before losing that Senate primary to conservative Bruce Herschensohn, was the immediate front-runner as soon as he annouced his intention to run. Few area politicians could match his fund-raising ability or his name recognition.

District 11	**(46% D - 38% R)**		
Plotkin	(D)	17,497	(11%)
Stokes	(D)	7,820	(5%)
Winter	(D)	14,616	(9%)
Campbell	**(R)**	**94,344**	**(60%)**
Hickey	(R)	4,075	(3%)
McVicker	(R)	10,706	(7%)
Peterson	(L)	5,218	(3%)
Cross	(I)	4,134	(3%)

Campbell won 60 percent of the vote, carrying both San Mateo and Santa Clara counties. Democrat Hal Plotkin, a local business journalist, came in second with 11 percent in a district where voter registration favors Democrats 46 percent to 38 percent. Campbell had raised nearly $500,000, most of which went toward an absentee-ballot campaign designed to boost voter turnout, said Ron Smith, Campbell's campaign manager. Plotkin raised about $20,000.

Smith described the race as "a very quiet campaign," adding that other candidates "didn't catch on." The main worry for Campbell was avoiding a run off, Smith said.

The only bump along Campbell's route occurred when the candidate reversed his stand on Proposition 174 — the voucher initiative — midway through the campaign. The switch is noteworthy because Campbell was previously aligned with fund raisers for the pro-voucher side and has always defended school choice. Campbell also skirted critics when it was disclosed that his private foundation, The Center for Free Enterprise, raised more than $192,000 from Silicon Valley entrepreneurs — among them David Packard, who contributed $11,000. The money was not transferable to his campaign because during special elections, contribution limits are set at $1000. The Center used the money to run a series of 30-second radio spots in the Bay Area and Los Angeles from February to July, although none of the spots dealt with Campbell's candidacy. Campbell points out that he was out of office when he ran the ads and that he canceled the radio spots when he announced that he was running for Morgan's seat.

Campbell attributes his win to the fact that "voters know my record. I'm fiscally responsible and a moderate on social issues." He dodged the question of whether or not his new position would be a steppingstone to statewide or national office. "My focus is on the state Senate, that's why I ran," he stated.

Other candidates in the race failed to muster any substantial support. Democrat Amal Winter, a Los Gatos psychologist and president of the West Valley-Mission Community College District Board of Trustees, came in third with 9 percent of the vote. Republican Virgil McVicker, who earned Rob Hurtt's endorsement but no campaign donations, finished with 7 percent. Libertarian Jon Petersen, Democrat Phil Stokes, Republican John Hickey, and independent Nancy Jewell Cross also were in the race.

-Laura A. Locke

Senate District 40:
Peace forced into holiday run off

District 40	**(46% D - 39% R)**		
Peace	**(D)**	**36,430**	**(48%)**
Rodgers	(D)	4,289	(6%)
Warren	(D)	6.113	(8%)
Clark	(R)	4,454	(6%)
Ghougassian	**(R)**	**18,850**	**(25%)**
Watson	(R)	6,328	(8%)

Democratic Assemblyman Steve Peace of Chula Vista came close to winning the special election in the Senate District 40 primary, capturing 47.6 percent of the vote. He needed 50 percent, plus one vote. Now, Republicans are licking their chops at the thought of a special election run-off on December 28th, with Joe Ghougassian as their candidate. Ghougassian, former U.S. ambassador to Qatar, captured 24.7 percent of the vote.

Peace probably lost his chance to avoid a run off because a pair of Democrats joined him on last week's ballot, and between them they siphoned off some 13.6 percent of the vote. John Warren and Lettie Rodgers got 8.0 percent and 5.6 percent, respectively. Republicans Muriel Watson and Daniel Clark had 8.5 percent and 5.8 percent.

Republicans are getting ready for what the political hounds at McNally Temple Associates — who have been hired by Ghougassian — believe is a turn in their favor. "Turnout advantage goes to Ghougassian in this anything-goes post-Christmas run-off," predicts an election round-up from McNally Temple.

The turnout last week was low enough at 27 percent, and McNally figures most of those voters were attracted by a series of statewide initiatives, especially the failed voucher initiative and the successful extension of the sales tax. Turnout on December 28th is expected to make that 27 percent look good. GOP political consultant Wayne Johnson believes that Peace will lose if Republican leaders — namely Senator Rob Hurtt of Garden Grove, Senate Minority Leader Ken Maddy of Fresno and Governor Pete Wilson — come together to help finance Ghougassian's campaign. "This would have been a slam-dunk election 10 or 15 years ago when [Republicans] all pulled together during the specials," said Johnson. Both sides are expecting turnout to be absolutely abysmal, and politicos in the GOP camp are counting on more older, conservative voters to go to the polls that day — voters who tend to be Republican.

But Peace claims that the statewide trend favoring Republicans in special elections doesn't apply to San Diego. Actually, he says, there are more older *Democrats* in the district who vote on a constant basis than do Republicans. "If you look at the history of the district, there are Roosevelt-era Democrats who always vote," he said. And all that aside, twice the number of voters cast a ballot for Peace than Ghougassian, he said. "We could fail to turn out [almost] one-half of our vote and still win."

Others in the district think that Peace has some strong support, including support from older voters. "The senior citizens in that district like Steve," said a source who asked not to be identified. Peace has always spent time and money

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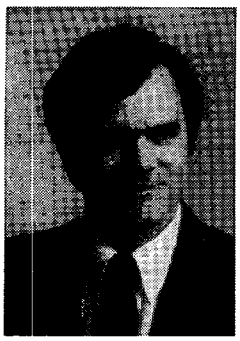
on events for the older members of the community, like senior speak-out days and such, said the source. "He's kind of catered to his seniors."

There are additional factors that point in Peace's favor as well. The incumbent who resigned the seat this summer was a Democrat — Waddie Deddeh of Chula Vista. The registration favors Democrats, although only slightly (48 percent to 35 percent). Peace, an assemblyman for the area since 1982, said that if he doesn't win it would be because of a smear campaign that would drag him over the political coals — a campaign that also would keep him out of the race for the newly reapportioned 40th District next year. "The damage to my family would be devastating," and he wouldn't want to expose them to a smear campaign two years in a row, he said.



Peace

Ghougassian campaign manager Bob Wolfe isn't convinced that Peace will be a shoe-in and believes that Ghougassian's 24.7 percent is a step in the right direction. "For a 30-day campaign, I'm very happy with the results," said Wolfe. "Now we have to take a step back and take a look at the district" during the two months before the run off, and try to get more people familiar with Ghougassian, he said. The former ambassador had the backing of the state and San Diego Republican parties, as well as the Senate Republican caucus. He formerly worked in the Reagan administration, where he drafted much of the former president's refugee and immigration policy — an issue that will most likely have a role in the election. Despite his extensive resume, Ghougassian's greatest asset may be the calendar, for no one is quite sure what will happen in an election set midway between Christmas and New Year's.

Ghougassian

— Mary Beth Barber

Assembly District 27:
The GOP gains a seat

District 27 (52% D - 30% R)			
Patton	(D)	39,000	(44%)
McPherson	**(R)**	**44,294**	**(50%)**
McCready	(AI)	2,480	(3%)
Espinoza	(P&F)	2,714	(3%)

After almost 20 years in the Democratic fold, Assembly District 27 fell to the GOP when Republican Bruce McPhersondefeated Democrat Gary Patton, 50 percent to 44 percent. The seat had been held for the past dozen years by Democrat Sam Farr, who earlier this year won another special election to replace Democrat Leon Panetta in Congress. Panetta resigned in January to become President Bill Clinton's director of the Office of Management and Budget. The district itself is coastal and includes Monterey and Santa Cruz counties.

The result was something of a stunner, given the Democrats' long track record in the area and a voter-registration edge of 52 percent-30 percent. Democratic sources blamed the loss on the fact that the party nominated the wrong candidate.

"We nominated someone who has perception of being on the left extreme, across the board," said one source, who asked not to be identified. "He was also someone with a 20-year record of playing it to the edges. That gives an opponent plenty of cannon fodder." The source referred to Patton's long stint on the Santa Cruz County Board of Supervisors.

Sources also said that Patton was hamstrung by an early pledge not to accept money from political action committees. Although the candidate never directly received these contributions, sources say he did take in-kind help from PACs in the form of volunteers and accepted money from the Democratic Party that had been donated to the party on his behalf by PACs. McPherson capitalized on these manuevers, branding Patton as a hypocrite.

Republicans, meanwhile, were exultant. "[McPherson's victory] is extremely exciting for us," said Craig Powell, chairman of the state Republican Party.

"The district elected my issues but the district didn't elect me," Patton said, summarizing his loss. "McPherson took my position on everything — pro-choice, pro-environment, anti-gun ... and everything I said first. McPherson hasn't been tarred with having been in government."

McPherson, a moderate, had an early lead among absentee voters and ended up winning in both counties. The Democratic Party spent $400,000 on mailers and field work, said Bob Mulholland, party political director. The Republican Party spent $120,000 on mailers. The area itself has undergone a flurry of special elections, which began when Panetta resigned from Congress. That prompted Farr to run for his seat. Farr subsequently won, thus vacating District 27.

Patton hired the Santa Monica firm of Galanty and Company to do his media, and they stressed his commitment to the environment in a series of television ads. McPherson, on the other hand, aired no TV or radio, relying instead on direct mail. He was endorsed by law-enforcement groups and the sheriffs of Santa Cruz and Monterey counties. Patton was supported by major educational organizations, including teacher and school employee unions and the California Organization of Police and Sheriffs.

McPherson

"My successful campaign shows that a moderate Republican does have a chance to win," McPherson said, adding that his experience as editor with the *Santa Cruz Sentinel* kept him in touch with the electorate. His family owned the paper for 26 years.

Democrats see McPherson as a caretaker, however, and already are laying plans for 1994. Among those prominently mentioned as challenging the new incumbent next year is Fred Keely, a Santa Cruz County supervisor and Farr's former chief of staff.

— Laura A. Locke

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The Bottom Line

GOVERNMENT FINANCE

By Susan Rasky

Kathleen Brown

The Kathleen Brown-Ann Richards road show that barreled through the state last month was about a good deal more than raising money for Brown's already brimming campaign war chest. The first clue should have been the invitation — a black and white, family-like photo of the two politicians captioned: "Two Treasurers, Two Grandmothers, two Governors?"

It all became clearer somewhere between the salad and desert courses at a San Francisco luncheon when Brown took the podium to explain what a "fighter" she would be for California and what a failure Pete Wilson was as governor.

"Pete," she said, "You can warm your socks in the oven, but that don't make them biscuits."

The borrowed Texas idiom, *faux* drawl included, was absurd coming from Brown. But the gag drew thunderous laughter and applause from the 1100 mostly female contributors who had packed the room. So did the suggestion that California needed "someone more like Ann's hair — so strong it won't bend — someone more like Ann's hair than Pete Wilson."

Welcome to the year after the Year of the Woman — 1994 for purposes of the election calendar. It's a transition phase marked by an explosion in women's political fund raising and rethinking of the political rules of engagement in campaigns where the opponents are of opposite sexes. Wilson, for example, went to extraordinary lengths in his 1990 race against Dianne Feinstein to avoid being the first to attack. He has had no such hesitation in going after Brown early in the run up to the 1994 gubernatorial campaign, essentially ignoring her likely primary rival, John Garamendi. On the other hand, the governor's press secretary, Dan Schnur, occasionally delivers the salvos with a twist, publicly referring to Brown as "Kathy." Schnur insists that the Wilson team plays equal-opportunity hardball.

"Is it a diminutive, absolutely. Is it condescending, yes. Does it have anything to do with gender, absolutely not," Schnur says. "If John Garamendi were to make a policy pronouncement as naive and ill-considered as Kathleen Brown's immigration proposal, believe me we'll find a way to reference it that won't make him happy either."

"Johnny" probably shouldn't lose sleep on that score, but the Wilson camp's willingness to hit Brown on style as well as substance is strong evidence that some of the old rules of engagement remain. Women seeking high office, particularly executive rather than legislative positions, must still go to extra lengths to establish their "leadership" and "toughness" credentials. (Nonsense like: Could she really put down a prison riot? Or run a $6 trillion economy? Or give as good as she gets in a hardball campaign?)

What is different, as Brown's fund-raising speech suggested, is that women candidates increasingly are trying to demonstrate their fitness for office — and their campaign mettle — by identifying with and evoking explicitly female images of authority, strength and competence — "machisma," if you will. Politically macha role models don't come any better than Richards.

California, however, is not Texas, and Brown is not likely to prove herself by going dove hunting with the boys. What she seems to be struggling with is a subtle way to recombine the "Tough and Caring" theme Dianne Feinstein used in her unsuccessful race against Wilson in 1990. Since crime and the economy will be significant issues in the 1994 gubernatorial contest, she's thrown in some of the "feisty" image Barbara Boxer employed in her 1992 U.S. Senate race. Mostly it's attitude she seems to be groping for — capable, sassy, ironic, with a tinge of moral superiority and an occasional clunking reference to grandmotherhood tossed in for good measure.

The grandmother gambit is one of the more curious transitional symbols, simultaneously softening the image of a tough-talking female should anybody get too nervous, but also conferring a certain wisdom and gravity, which is what Brown seems to be seeking. Mere motherhood is presumably insufficient.

Calibrating all of it is tricky; in Brown's case sometimes comical. In addition to frequent mentions of being a grandmother, she has taken to peppering her speech with "as my mother always told me..." phrases that often refer to this or that piece of political wisdom dispensed at the maternal knee. If the device is useful for other female politicians, it seems a bit ludicrous for the daughter of one of the state's most savvy and revered former governors, who just happened to be a male.

In one particularly ghastly miscalculation, Brown pleasantly explained to David Brinkley during an ABC-TV interview last summer that "my mother always told me all politics are local." Bernice Brown may indeed have so instructed her daughter, but she would have been quoting former House Speaker Tip O'Neill.

Richards, who surely provides a far better machisma touchstone, did not arrive a moment too soon. But she hardly solves all of Brown's problems. For starters, Brown can't tote her to every stop on the campaign trail over the next 11 months. If Treasurer Brown is going to advance, she is going to have to stop dispensing corny platitudes in someone else's voice and start developing a more authentic one of her own.

Susan Rasky is a former New York Times *Washington correspondent who now teaches journalism at the University of California, Berkeley.*

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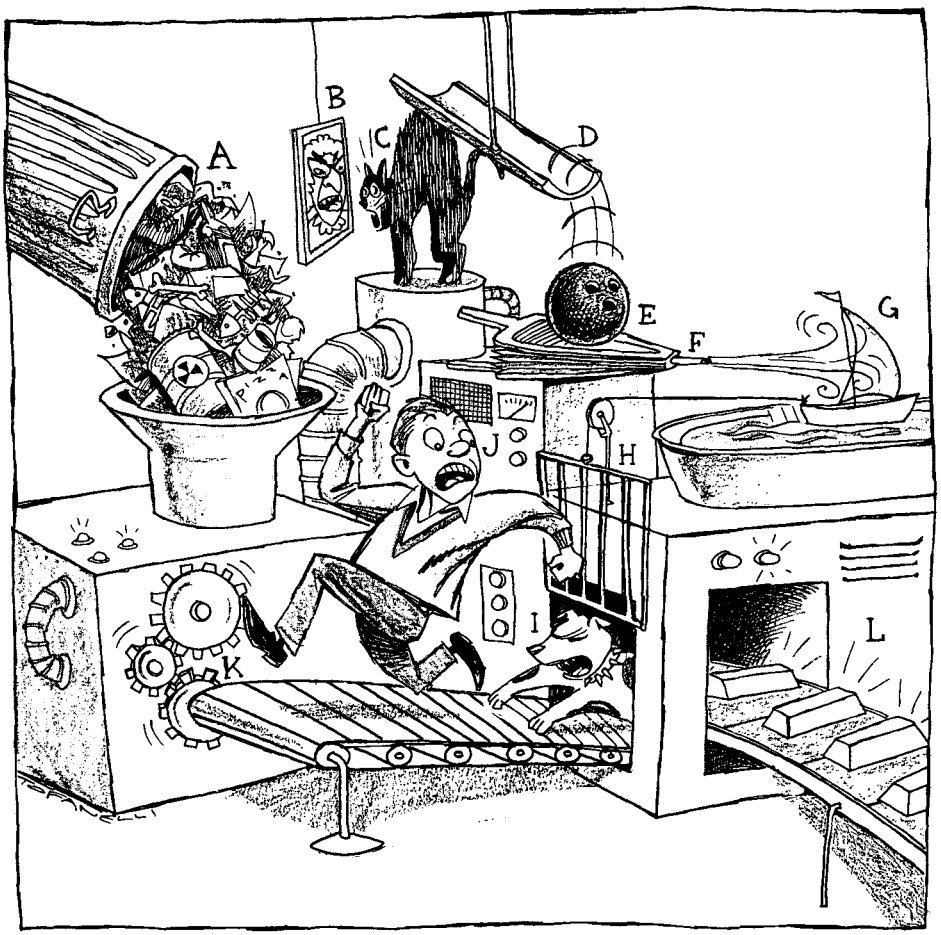

Illustration by Mike Tofanelli

Turning trash to gold

By Peter Asmus

There's a new kind of gold in California, but you won't find much of it in Sierra Nevada mountain streams. No, this new bounty resides in urban centers and is of limitless supply.

This gold is garbage.

Due to the efforts of California policymakers, what was once tossed and forgotten is now being mined by growing numbers of forward-looking companies from around the globe.

Consider this: Californians typically throw out nine pounds of trash every day. The garbage generated by a typical California family of five currently imposes an annual cost to society of $835. Since California's total population now is 30 million, annual statewide costs for solid-waste management exceed $500 million every year. At present 89 percent of this garbage is sent to landfills. But a state law passed in 1989 mandates that California recycle 25 percent of its waste by 1995; 50 percent by 2000. If current population trends continue, however, many California communities will have filled up their landfills within the next five years.

What to do? How about create a market for this garbage? Make it valuable. With the help of the Integrated Waste Management Board and the state Department of Conservation, California is trying to do just that. The good news is that state citizens are doing a better job of separating recyclables, such as newspaper, from their garbage. The bad news is that we have a long way to go to close the recycling loop. Only when these so-called "secondary" materials are transformed into new products purchased by consumers has true recycling occurred.

Like markets for products dependent on resource-extraction industries such as gold mining, the secondary-materials industry includes extraction (curbside recycling programs), processing (materials recovery and recycling centers), manufacture of end products and shipment of products to markets.

Unfortunately, if markets for products comprised of recycled feedstock are not developed, the value of collected materials declines and everybody — including financially strapped local governments — loses out. For instance, a proposed $1.5 billion newspaper recycling plant won unanimous approval from the West Sacramento City Council in September 1992. Developer MacMillan Bloedel of British Columbia, and project partner Haindl Papier of Germany, how-

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Peter Asmus is a Sacramento-based author, reporter and consultant specializing in environmental issues.

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ever, want the market for newsprint to rise from a current price of as low as $425 per ton to $600 per ton before the partnership finances the first phase of the project. The low current prices throughout the western United States is a result of high levels of collection but low demand for newsprint feedstock.

The proposed recycling facility, now reduced in size to appease opposition from environmentalists over air- and water-quality impacts, would process 680,000 tons of newsprint annually and would still be one of the largest facilities of its kind in the world. The partners want to locate in California because of its state newsprint recycling mandates, which in effect, helped turn old discarded newspapers into a new source of potential wealth. The facility would generate 350 new jobs and millions in annual tax revenue.

To address these sorts of gluts of collected solid waste, the Integrated Waste Management Board has approved 16 of 40 proposed Recycling Market Development Zones.

Modeled after traditional economic development zones, the board's zones provide entrepreneurs with valuable assistance to locate little "pots of gold" available in communities up and down the state.

There is some monetary help in the form of $5 million in annual state loans to businesses. This past April, for example, the board awarded the first round of these loans to 10 firms to create 222 jobs, while converting 371,704 tons of plastic, paper, rubber, yard waste, metals and asphalt into new consumer products. The biggest benefit of the zone program, however, is having one individual at the local level on whom firms may lean to learn the ins and outs of the local permitting process. One of the most common complaints about California is the indifference shown by government regulators to the real-world needs of California business, including those offering state and local environmental benefits. The new market-zone coordinators will address this issue head-on.

The recycling market-zone program will mesh nicely with federal efforts to assist Los Angeles to rebuild itself in the wake of last spring's riots. The state recycling zone designated in the existing Wilmington Industrial Park of Los Angeles will add jobs while improving the local environment. Having evolved from a sea of junkyards, weeds and rusting oil equipment, this industrial area "enterprise zone" created 1000 jobs since its creation in the mid-1970s and already includes minority-owned businesses.

Los Angeles generates 60 percent of the state's total waste stream. An extensive computerized sorting of the region's 1600 firms currently involved in recycling discovered that they represent $580 million in annual gross sales. The goal of the zone is to attract 25 additional manufacturers to the park within the next decade.

Other market-development zones include Glenn County in northeastern California, where unemployment is nearing 20 percent. Because the landfills there are only at 29 percent of capacity, the market zone will help small-scale firms experiment with new uses for agricultural waste, such as rice straw. A zone that includes both Oakland and Berkeley may help the East Bay discover new recycling opportunities as well. With the massive building and restoration occuring because of the Oakland Hills fire of 1991, this will be a particularly advantageous time for firms there to research construction-waste recycling options.

Yet another state program geared to recycling-market development is the Department of Conservation's "Market Watch" — a matchmaking, computerized database

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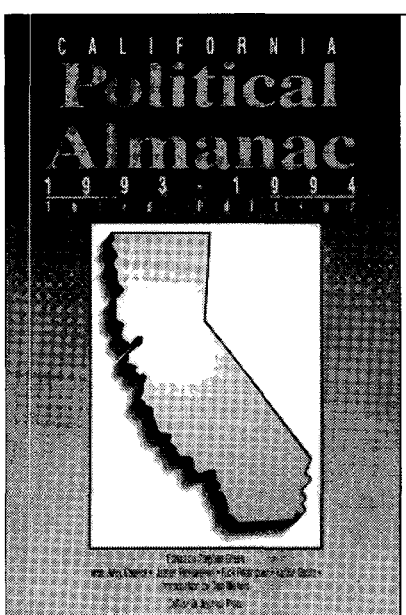

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that fosters the buying and selling of garbage. For example, Safe Designs, a Belmont-based firm, was looking for recycled fiber for the stuffing for a new toy it hoped to market with an environmental message. Market Watch specialists located a division of Wellman, Incorporated, in the city of Commerce, which takes in fiber from video and audio film wastes, combines it with post-consumer soda bottles, and produces a recycled polyester fiber that was ideally suited for Safe Design's stuffed toys.

"Not only is the program a good producer of business ideas, but it also allows us to qualify a market for our materials," said Eric Northrup, marketing director for Santa Clara-based Polymer Recovery Services — another user of Conservation's service. "With Market Watch, we can keep an eye on the type of material manufacturers need to make sure we have a market for what we are recycling," he added.

The department manages California's beverage-recycling program, one of the most successful collection programs in the country. Almost 90 percent of the beverage containers sold in California now are ready to be processed. Yet this success story addresses only 3 percent of the state's annual 50 million ton waste stream.

Market zones and computerized matchmaking databases are not a panacea for a very complex and evolving recycling marketplace. According to Bill Shireman, president of the Sacramento-based consulting group California Futures, no state — including California — has designed a model recycling market-development program. Eighty percent of the nation's states, nonetheless, have passed laws that mandate goals for waste-reduction or resource recovery.

To meet California's recycling goals for the year 2000, a $2 billion investment in new manufacturing assets is needed, according to the Integrated Waste Management Board. The agency predicts such investments could create as many as 20,000 to 40,000 new jobs by the year 2000. But Shireman points out that these job figures can be misleading. Some government mandates, such as a 25 percent recycling content goal for plastic, may actually cost the state more than it can save. Shireman's analysis shows that this policy adds 1077 jobs to the state economy. The same policy, however, also results in the *loss* of 1000 jobs. All told, each job created by this program will cost $1 million per job, per year. In contrast, a policy of requiring that corrugated and boxboards contain 80 percent recycled content would add 2800 net jobs and provide the state with $43,000 in benefits per job, per year.

"The key issue for state policymakers is how to get free jobs," said Shireman. In other words, he argued, the state should use better analysis before spending scarce public dollars and imposing new costs on the state's business sector to create a better environment and new jobs. Unfortunately, Shireman feels the policies that make the most sense — so-called "green taxes" and variable garbage-collection rates pegged to the amount of waste a household generates — are considered politically unpalatable and therefore are not on the table.

Markets for recycled goods do represent a major opportunity for California to boost the state economy. By mining our own neighborhoods for raw material for manufacturers, California is fostering a new kind of gold rush. While the original '49ers panned for gold in the pristine wilderness, this new type of mining is not enhanced by spectacular scenery. Nonetheless, it appears to have the potential to offer far more to the long-term economic and environmental health of California.

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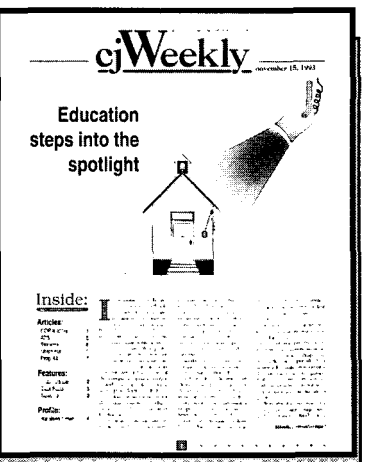

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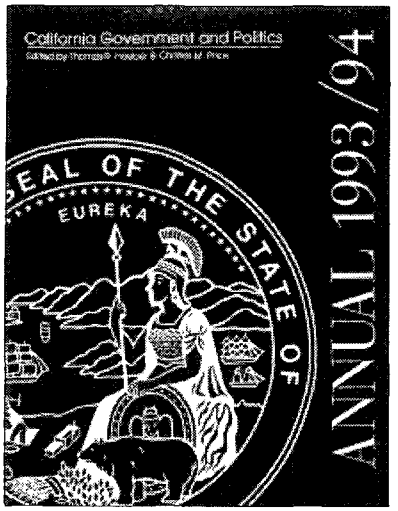

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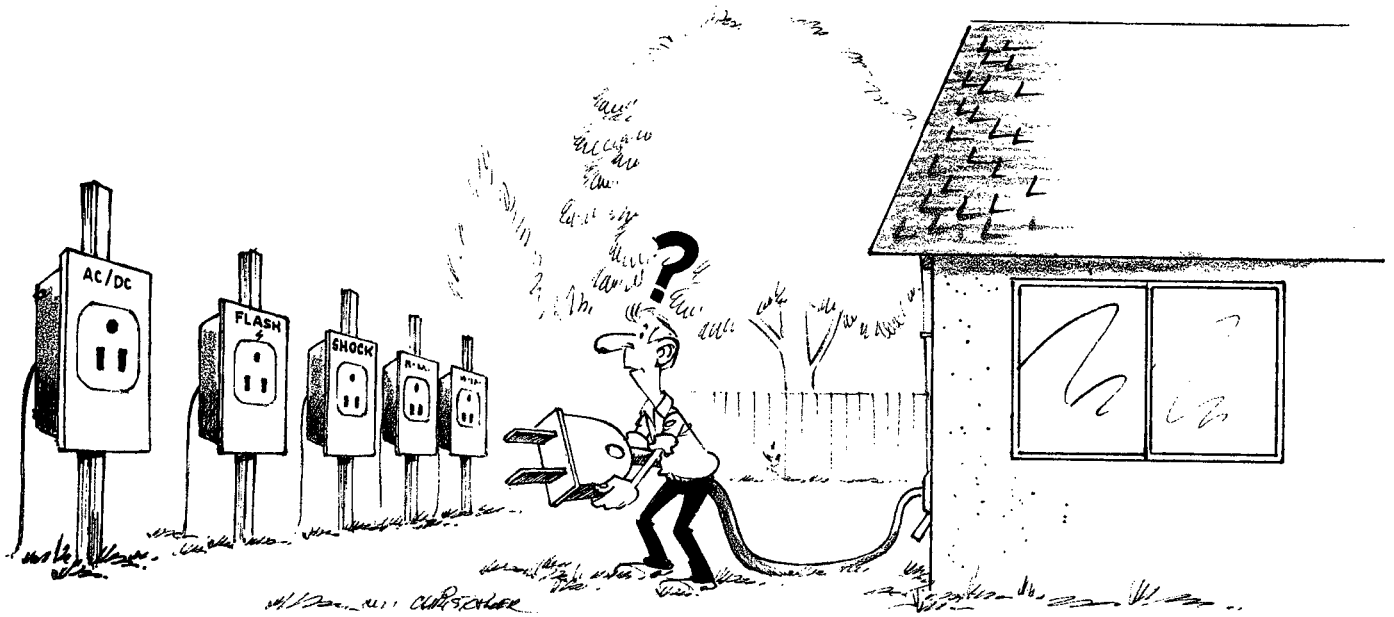

Illustration by Christopher Van Overloop

By J.A. Savage

If you like deregulated airlines and phone companies, you'll love the new electric industry

Checking into the electronic bulletin board posting this month's electric rates, you notice a good deal from the Fantastic Fruit Leather & Cogeneration plant. Electronically booking 320 kilowatt hours, you reserve enough to run the family's air conditioner, refrigerator and lights for the next month. At the end of the month the mail brings two bills — one from Fantastic Fruit for the electricity itself and another from the local electric utility for delivering it to your home — much like you now pay a long-distance phone company and a local phone company.

For small-time residential ratepayers, this scenario is many years away, but businesses that consume huge amounts of electricity will be able to do just that in the near future.

This new scenario — a deregulated electric industry — portends a transfer of wealth from residential ratepayers to those with the means and the economies of scale to wheel and deal in the new electric market.

The impetus behind deregulation is those same large consumers. They see it as a way to decrease their energy bills.

J.A. Savage is a freelance writer from Oakland.

Regulators are right in step, envisioning deregulation as a way to promote the state's economy. Throwing flares in their wake are consumer advocates who say that residential ratepayers will not be able to afford deregulation, although regulators appear to pay them little heed. Utilities, for the most part, are being dragged wailing and struggling into deregulation by its sheer momentum.

Utilities continue to try to shape the new model, but they cannot agree. Southern California Edison and San Diego Gas & Electric have drawn a line in the regulator's sand box — they adamantly want to remain in the new generation business. Pacific Gas & Electric, on the other hand, says it will gladly get out of the business of building new power stations, as long as regulators keep their noses out of PG&E's business transactions.

By the end of the year, the state's regulators will make their first step towards deregulation. Since April, the San Francisco-based California Public Utilities Commission (CPUC) has heard expert opinions on how to proceed. The commission is in charge of the state's investor-owned utilities— Pacific Gas & Electric, Southern California Edison and San Diego Gas & Electric. Its five Republican members will probably first prevent utilities from building any new power plants and open

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up all new generation to for-profit, unregulated companies. Eventually, the commission is considering forcing utilities to sell off their current facilities and have them be taken over by unregulated companies or retired.

Opening up new generation to for-profit companies is opening new investment opportunities for blue chip corporations. The companies vying for the right to build new generating facilities are not mom and pop windmill operations. Fantastic Fruit could be owned by Procter & Gamble, Bechtel, Dow Chemical or an unregulated utility subsidiary — all of which are currently in the generating business. Their operations are likely to be more efficient and cheaper than utility-owned generation. For one, they will not be building huge central generating facilities and secondly, they will be employing new technology. For instance, new gas-fired turbines are a derivative of those in the airline jet engine industry, making the local utility plant look like as '49 De Soto compared to a new Ferrari, and renewable energy plants like windmills are far more technically advanced than they were a decade ago.

What this means for ratepayers is that regulated utilities will be forced over time into the distribution-only business. And that also means that all the costs of changing to this new model will be assigned to what's left of the utility. First, that will be a load of money, and secondly, the chances of big business getting out of paying those costs and leaving small consumers stranded with the bill are quite high.

Those costs, called "transition costs," include paying for utilities' past bad investments, like nuclear power plants. It also includes retiring uneconomic plants, like old polluting oil-fired plants and possibly early decommissioning of nuclear-fueled plants. The administrative costs of metamorphosis into a different company will be added in along the way. Already, utilities are looking at their nuclear investments as uneconomic sources of energy. Edison has asked the CPUC to allow it to charge ratepayers early, rather than over time, the remaining unamortized costs of its 75 percent interest in San Onofre Nuclear Generating Station and its 15.8 percent interest in the facility at Palo Verde, because as time goes on, those plants will be increasingly uneconomic compared to newer, more efficient generation. SDG&E is asking for the same treatment with its 20 percent share of San Onofre.

Also tacked onto the price of the new utility's service will be social costs imposed by both regulators and the Legislature. For instance, it is now deemed to be a societal good to reduce air pollution by developing electric cars. Utilities now spend millions in ratepayer money for research and development of electric cars. Another public benefit is energy conservation programs. Both will find their way into ratepayers' bills from a pared-down utility.

Consumer advocates, like Mike Florio, an attorney with Toward Utility Rate Normalization, maintain that big business will be able to skirt these costs while electric prices rise for the majority of ratepayers — known as "captives" in the jargon. Regulators say that it's only fair for large consumers to pay less since it is cheaper to service one large customer than dozens of small ones. But Florio and others believe some cross subsidies are important to keep services available to all, otherwise, business will be getting away with huge rate decreases and residential ratepayers will hardly be able to keep on the lights. Florio points to an October CPUC ruling on phone toll calls (it was rescinded, although the basic theory remains and will be promulgated again). That decision raised basic rates for local phone service, up to five times the current rate, while lowering the cost of toll calls. "Who benefits?" asks Florio. "Businesses that make a lot of toll calls."

In addition, business is in the position to get discounts on its rates directly from the utility. Ironically, while the CPUC pushes the idea of competition, it allows utilities to offer discount contracts to certain large consumers who threaten to build their own cogeneration plants. Both the CPUC and utilities want to keep them on the local utility's grid. The theory is that if industry no longer needs the utility's service, there will be more fixed costs to be shared by fewer customers so it's worth a bit of subsidy to head off even higher rates.

CPUC commissioners also maintain that rates will not rise in the wake of increased competition, but few believe them. The precedent is the recent partial deregulation of the natural gas industry. As of this June, residential customers of investor-owned gas utilities started paying an average of 5 percent more on their bills while big business pays much less.

All this change grows out of desire to socially engineer California's economy. CPUC president Daniel Fessler said that it's important to make sure California's factories and other employers don't head for other states with cheaper electric rates. Indeed, many states troll for California companies, luring them with tax breaks, reduced environmental control and the promise of lower energy rates upon relocation. Fessler says its better to have citizens with a paycheck to pay their bills than it is to drive out business and leave ratepayers unemployed. The theory has its detractors,

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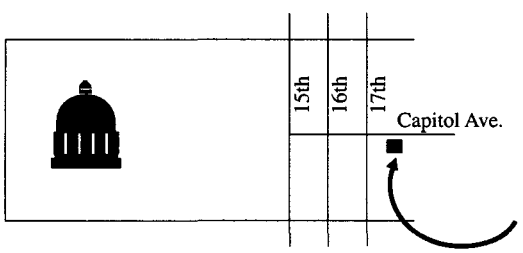

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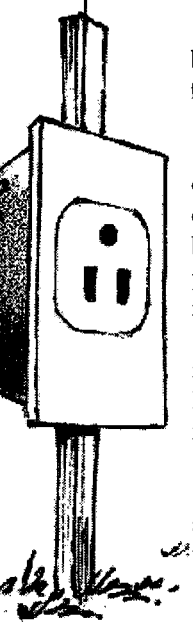
CEC Tries to be Relevant by Jumping into Deregulation Fray

The California Energy Commission, too, has entered the deregulation wrangle. In October, commissioners at the five-member Sacramento-based agency said they would have their own recommendations on restructuring the electric industry. Commission chair Charles Imbrecht and commissioner Richard Bilas said that they are looking to a near future when residential ratepayers can choose their own electric provider, much as they chose a long distance phone company.



Insiders say that the move is an attempt to make the CEC relevant once again and keep it from losing its budget completely or getting folded into the CPUC. Legislative and administrative discussions over the CEC's fate have been ongoing.

The CEC's legislative mandate is to plan for new generation — how much and what kind. It's also in charge of siting any new power plants bigger than 50 megawatts. But, since 1987, the commission has had little to do because California is awash in electricity. Utilities are more concerned about ratcheting down supplies than building new plants and likely things will remain that way until the late 1990s. The success of conservation programs puts off building new generation facilities even farther. In fact, Edison proposes to fire up some of its plants that are now idle due to conservation to sell electricity to other states.

When it was founded, in 1975, the CEC drove utilities to expand their energy portfolios. At that time they relied quite heavily on fossil-fueled and nuclear plants, but the CEC made them expand sources to include a host of renewables. At the time, the CEC did a good job. Currently, PG&E generates 13 percent of its electricity from renewables.

Commissioner Bilas, who describes himself as a "free-market economist," said that what the CEC is attempting is "not a repeat of what's happening at the CPUC." But he was not clear on just how the CEC could weigh into the process. "Quite frankly, I don't know where we're going to go."

although none of them is a regulator in California. Ron Lehr, a former Colorado Public Service Commission member, calls it a form of Reganomics trickle-down.

Business has its own self interest in promoting deregulation. Electric rates here are up to 57 percent higher than the national average. Again, using the natural gas precedent, if the same redistribution of wealth occurs with electric deregulation, business has a lot to look forward to. For instance, of the 77 members of the California League of Food Processors, 44 are sharing a $4 million annual savings under gas deregulation. Some corporations are saving tens of thousands of dollars per month. At the same time, residential ratepayer bills went up an average of $3 per month.

Despite what appears to be rate shock headed toward the little guy, regulators are resolute in their plans to introduce more competition in the electric industry. The move has picked up steam since the early 1980s when small power producers were first allowed to sell their electrons to utilities. The federal law that gave them access, called the Public Utilities Regulatory Policies Act, started as a knock on arrogant utilities that refused to invest in alternative energy sources. That has transformed into the corporate-dominated alternative energy market in the 1990s. Pushing deregulation further was the Bush administration's National Energy Policy Act reform in 1992. That outlined an increasingly competitive market, to be instituted by states—if they wished. So far, California is the only state to be actively pushing the process. And the all-Republican CPUC has latched onto it as a way to better the state's economy.

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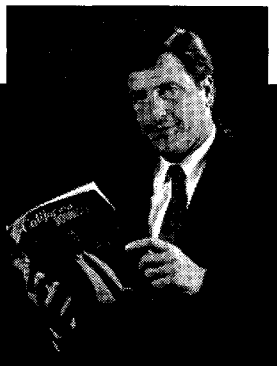

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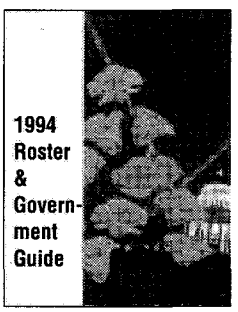

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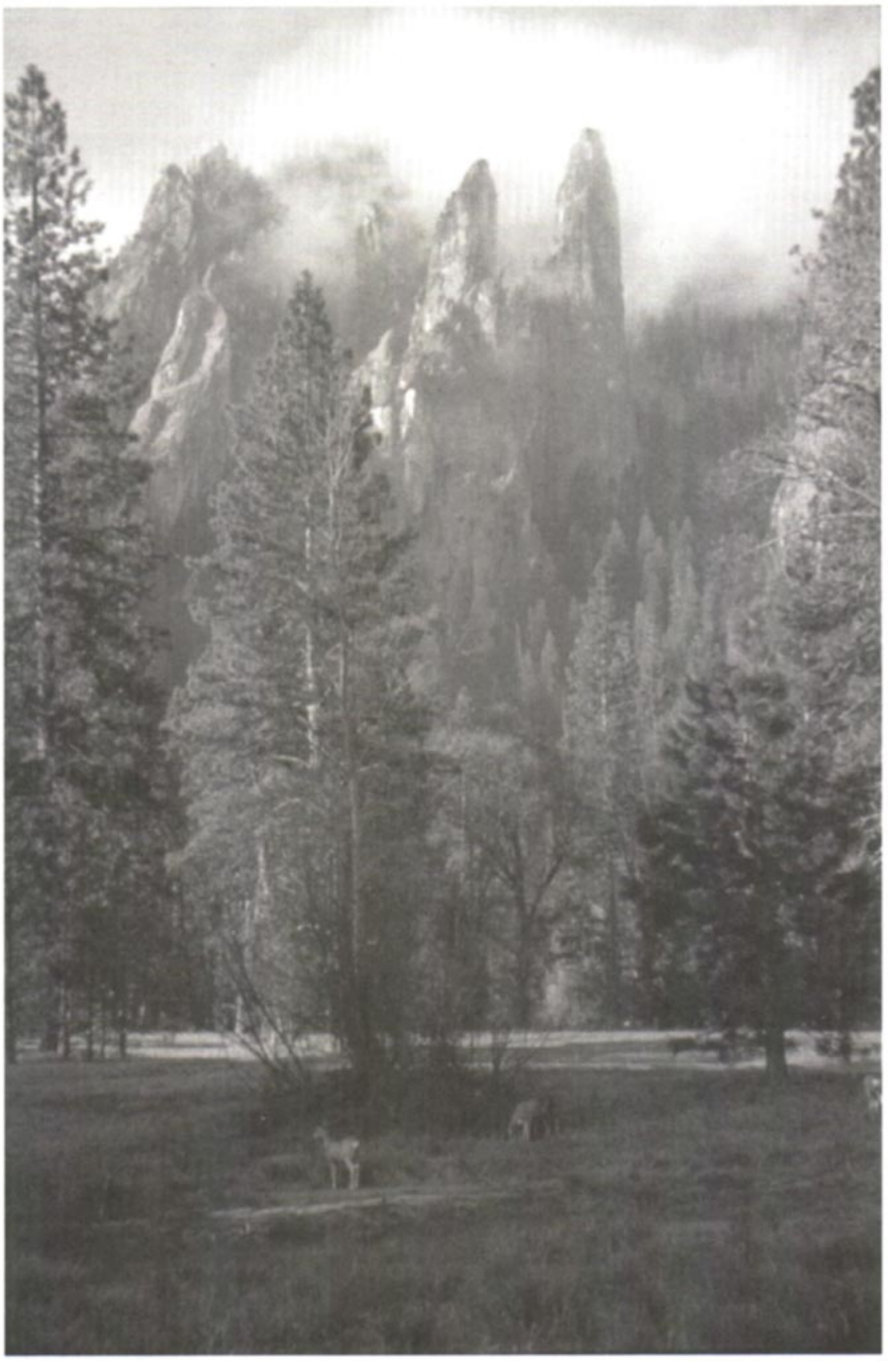

Photo by Dan Blackburn

Yosemite's New Day?

by Dan Blackburn

The first rays of the sun stretch over the east rim of Yosemite Valley, drop past the Cathedral Spires — rising like some medieval stone fortress against the valley wall — and turn the tendrils of fog rising off the Merced River into glistening, sun-dappled fingers with droplets of water that shine like tiny jewels in the early light. Nearby, two mule deer brush the dew from a grassy meadow. And a bird's song trills along the river bank. It is the typical start of another new day in what many consider to be the crown jewel of the national park system.

Now, however, environmentalists, park officials and members of Congress hope they also are seeing the dawn of a new era in relations between themselves and the people who run the highly profitable concession monopoly in Yosemite. And the success or failure of the new relationship may well determine the future of concession contracts in national parks all across the country.

On October 1st, a new company — Delaware North — replaced the venerable but, in recent years, much criticized Yosemite Park & Curry Company as the operator of the most lucrative concession operation in the national park system. Michael Finley, Yosemite's sometimes beleaguered superintendent, has been quick to applaud the new concessionaires. He says, "Their enthusiasm and excitement has reinvigorated my staff here. So, it's very positive for both partners." And some environmentalists sound a similar note. Ann Iverson, chair of the Sierra Club's Yosemite Committee, declares, "This is definitely a new era for Yosemite National Park."

The Curry Company, founded by school teachers David and Jennie Curry back before the turn of the century, had become a virtual institution in the park. After 94 years of operating the concessions, its name seemed almost synonymous with Yosemite. But, in 1973, the mom-and-pop operation was taken over by entertainment giant MCA and rapidly grew into a money-making machine that filled MCA's coffers to the tune of more than $84 million dollars annually. Company insiders, however,

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Dan Blackburn is a Los Angeles-based correspondent for CNN who has written extensively on Yosemite Park for California Journal.

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insist the real figure, after expenses, never exceeded $8 million in net income. Nonetheless, MCA paid the federal government just a fraction of that money — $635,000 — for its exclusive rights in the park. And, when those figures became public, an uproar followed.

Then, MCA was purchased by the Japanese firm Matsushita, and former President George Bush's administration — lead by Interior Secretary Manuel Lujan — insisted that the concession contract in Yosemite should be in the hands of an American company. Last year, the contract was opened up for bids and, to the surprise of many, Delaware North — a medium-sized company based in Buffalo, New York, and with no previous national park experience — was the winner. It even beat out a group formed by environmental activists who some had thought might have the inside track. Superintendent Finley says, "Before the evaluation process, I never thought that any of these new groups — Delaware North in particular — would be that competitive. I was surprised they came out on top. But now I'm delighted because they are working hard to join with the park service."

Delaware North is a 78-year-old, family-run company that owns the Boston Garden arena and 11 horse- and dog-racing tracks, as well as concession contracts at several more tracks and in half a dozen big league stadiums, some 40 airports and the Miami Zoo. Its only previous park experience was running the concessions in six Dade County, Florida, parks. And, by some accounts, that operation was less than successful.

Visitors to the company's headquarters in Buffalo are greeted by a stuffed black bear dressed in a hockey outfit and holding a hockey stick. The bear represents the NHL's Boston Bruins, which happened to be owned by Delaware North Chairman Jeremy M. Jacobs, who rarely talks to reporters. Company officials wince at references to the bear in terms of the Yosemite contract while some environmentalists worry that it may symbolize an unfortunate attitude when it comes to issues involving the park. But Sam Gifford II, the company's chief spokesman, insists there is no reason for concern. As Gifford puts it, "I think we're quite in touch with [the park]. It's a very special place. It's a very fragile place. And our charter is to walk a fine line between serving the public, giving them what they want, and protecting the environment."

But some in the environmental community are not convinced. Ben Beach of the Wilderness Society says, "Our quarrel is that they are trying to build a business in the valley as opposed to being concerned with the impact on the valley. We want them to be attentive to the very special situation that exists in the park. There are too many people and too much bad air in the valley and that's not what the park is all about." Beach and others also are critical of President Bill Clinton's Interior secretary, Bruce Babbitt, whom they had hoped would give the Yosemite contract closer scrutiny. According to Beach, "We were disappointed. I just suspect he had so much else to deal with and it never really got a good look. It was a precedent-setting contract, and they just blew it. My sense is they just couldn't come to grips with it."

The new contract is a 15-year affair, as compared to the 30-year deal

Photo by Dan Blackburn

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under the old contract, and it is valued at about $1.5 billion. Under the deal, Delaware North now operates the famous Ahwahnee Lodge, as well as all of the other lodges, cabins, campgrounds, gift shops and snack bars. In exchange, the company will pay the National Park Service slightly more than 20 percent of its annual gross receipts, which could add almost $20 million a year to the income of the National Park Service. In addition, Delaware North is paying more than $60 million for the old Curry Company assets — the buildings and equipment — and turning all of that property over to the federal government. As a result, the park service will be Delaware North's landlord in fact as well as in name. It has also committed to a major cleanup of contamination from leaking underground storage tanks in Yosemite Valley. Knowledgeable officials say that Delaware North's initial annual costs, including debt service, will easily hit $9 million, exceeding their likely net revenues in the foreseeable future.

One test, perhaps the crucial test, of Delaware North's commitment to Yosemite in the eyes of environmentalists will be how hard it tries to comply with the 1980 master plan for the park, the terms of which have yet to be met. That plan calls for reversing much of the man-made development inside the park. Under it, the flow of traffic into the park would be halted and such things as beauty shops, video stores, and some cabins would be torn down and houses and offices for the concessionaire and its staff would be moved outside the park. In the 13 years since its adoption, none of the above has happened.

With that in mind, Gifford of Delaware North says some changes already are in the works. According to Gifford, "We'll eliminate the same-day photo processing. That's seen as inappropriate. We'll bring in recycled paper napkins. The video rental store will be for employees only, not for visitors. The tennis court behind the Ahwahnee will be closed. Curry Company was paying commission to gas-station attendants for selling tires, batteries, *et cetera*. We think that is not appropriate and that will stop. And we'll institute pre-employment drug testing for new employees." Of course, under the new concessions contract, implementing the 1980 master plan becomes even more the responsibility of the National Park Service and less the concern of the concessionaire. But Delaware North officials emphasize that they are committed 100 percent to the plan.

For the most part, it is unlikely that casual visitors to Yosemite in the coming months will notice much in the way of visible changes. There may be some additional health-food items on the menus at the restaurants and fast food counters. They may even sell a Delaware North snack called "Chompers." And video rentals won't be available. The most noticeable difference may be more one of perception. Dennis Szefel, vice president of Delaware North's new Parks Division, says, "We come from a client-driven operation. We stress service with a smile, a creative product delivered in an efficient, reasonable way. But, hopefully, people will be able to say there is a distinct difference in attitude and appearance. We're bringing a fresh set of eyes and perspective to it." To put it another way, when visitors bite into a hamburger now, the new concessionaire hopes they will say it tastes better and was delivered more quickly.

While environmentalists worry whether a company with Delaware North's background in commercial sports and airports really can relate to Yosemite and its problems, Gary Fraker, who serves as president of the newly formed Yosemite Concession Services, insists, "I don't think there is any particular pressure. We're used to living up to standard." But the real pressure may come from within. Delaware North sees its entry into Yosemite as the potential foot in the door for taking over concessions in other national and state parks. If it does well in Yosemite, its chances for success in other park bids will improve. And that is the long-term goal of Delaware North.

Meanwhile, there was another October event in Yosemite Valley that raised some eyebrows and concern. Warner Brothers was allowed to set up a canvas tepee Indian village on Ledig Meadow in order to film scenes for the upcoming movie "Maverick." The movie has nothing to do with Yosemite, and the Indian village is not authentic to the area. But the film company paid the park service $40,000 to be used for a planned reseeding program in the meadow. And Superintendent Finley says the decision to allow use of the meadow also was a good-will gesture. As Finley put it, "There have been complaints because of the May through September blackout on commercial filming in the park. And we wanted to demonstrate that — consistent with good resource protection — we would be willing to consider working with commercial filming during the non-blackout months."

But Dean Malley, a longtime Yosemite activist, angrily argues, "Rangers say they were never allowed to take people on nature walks in the meadow because of the potential damage to it. Now, a movie company has been allowed to set up right in the meadow and trample everything. This is shades of MCA in the '70s when some of the rock wall in Yosemite was painted over for a television series!"

Coming at a time when Yosemite's concessions were being taken over by a company with Delaware North's highly commercial background, the net effect was to temper the optimism in some quarters with renewed concern about commercialization of Yosemite. And, if nothing else, the two events served to demonstrate that even on a new day in Yosemite, the clouds of controversy never are far away.

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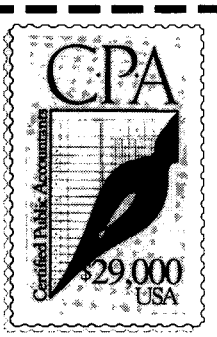

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Washington PERSPECTIVE

By Larry Liebert

The Packwood scandal

"Madam President," several of the Senate's mostly male voices boomed out in clamorous competition. Like a kindergarten teacher with an unruly class bidding for her attention, Senator Barbara Boxer, California Democrat, was required by Senate rules and tradition to recognize the senator who managed to utter her honorific first.

ON THIS PARTICULAR TUESDAY IN NOVEMBER, Boxer was serving as the Senate's presiding officer, a routine duty that is rotated among the majority party's members. Prompted by the parliamentarian at every treacherous turn in the legislative road, the presiding officer seldom has much to do except to bang a gavel for quiet and read out arcane procedures before a nearly empty Senate chamber.

This day was different because the Senate was engaged in one of its periodic paroxysms over the ethics (or lack thereof) of its members. Boxer was at the rostrum as the Senate, with every member required to attend, debated whether to subpoena the juicy private diaries of member Bob Packwood, the Oregon Republican under investigation on charges of crudely groping a variety of women over the years. Packwood had previously acknowledged his transgressions by publicly apologizing — although he had stubbornly refused to spell out exactly what offenses he had earlier committed and now regretted. The Ethics Committee's long-running investigation of Packwood's affairs, if one could call them that, stalled when he revealed that he had kept elaborate diaries of his every thought over the years, then balked halfway through the task of providing excerpts demanded by the panel.

In a priceless demonstration of senatorial ego, Packwood explained that he had saved his diaries for the historical record, dictating them each day to a secretary who transcribed them. In a pot-calling-the-kettle-black strategy reminiscent of ex-California Senator Alan Cranston — who threatened to prove that his colleagues' campaign financing was just as shady as his own — Packwood pointedly noted that forced publication of his diaries could spill the beans about the sexual affairs of a former senator and a current Democratic House leader. Against that lurid background — and the painful memory of Anita Hill's sexual harassment charges against then-Supreme Court nominee Clarence Thomas — the Senate took up the case of Packwood's diaries. It may have been intentional symbolism that Senate leaders put Boxer, one of the chamber's seven female members, in the presiding chair.

The partisan and personal tensions were palpable, even though the Republican and Democratic members of the Ethics Committee had unanimously demanded Packwood's diaries. When Boxer gave the floor to John Kerry of Massachusetts, fellow Democrat, Republican Arlen Specter of Pennsylvania, angrily asked, "Is the senator who first seeks recognition entitled to be recognized first?" Boxer replied, "As I understand it, it is the first senator who said, 'Madam President,' and I heard that to be the senator from Massachusetts."

Senate Minority Leader Bob Dole of Kansas charged that Boxer "on three straight occasions, ignored this side and recognized colleagues on the other side." Senate Majority Leader George Mitchell of Maine came to Boxer's defense, insisting that "a quick check by the clerk indicates that up until this moment an almost exactly equal number of senators from each side has been recognized."

As presiding officer and as a participant, Boxer played a visible role in the wrenching two days of debate that ended when the Senate rejected, 23-77, a Packwood-backed compromise, then voted, 94-6, to back the Ethics Committee's subpoena. Some of Boxer's colleagues from both parties warned that the investigation of Packwood could be delayed for as long as three years by wrangling in the courts over the subpoena. But Boxer told the Senate, "These women want justice. And there are over 20 of these women, some of whom have carried this burden around for a heck of a long time. And if it means that we have to wait a little longer to possibly get some new information so that the Ethics Committee knows everything that they need to know, I think it is important that we support these women by supporting the Ethics Committee."

Boxer's more cautious California colleague, Dianne Feinstein, played no role in the debate. In fact, she spent some of it poring over what reporters watching from the balcony took to be a mail-order catalog for flowers or some such. But another of the new class of female senators, Patty Murray of Washington, rose to protest that the male-dominated Senate still doesn't get it. "I am shocked and surprised that through the nature of this debate, it appears to portray the senator from Oregon as the victim," she said. "I remind my colleagues, more than two dozen women have brought their allegations to this body. Clearly, they see themselves as the victims in this debate."

SOME OF PACKWOOD'S REPUBLICAN FRIENDS — ignoring his own, admittedly amorphous confession of guilt — protested that he was being treated as guilty before the Ethics Committee had made any findings against him. Some reprised their roles from the Clarence Thomas-Anita Hill case, with Alan Simpson of Wyoming bitterly retelling the pro-Thomas side of that messy case and Specter again playing the tough-talking attorney for the defense.

Some raised more sublte questions. Senator William Cohen , a Maine Republican, warned that the search through Packwood's diaries could become part of an intolerant search for political correctness in the lives and thoughts of those in public life. "We are fast approaching that point in time where federal authorities, be they the executive branch or perhaps even our own investigative committees, will start looking into pictures that hang on our walls, or search for private comments that have been made...," Cohen said. "Many of my colleagues apparently maintain joke books. Should those also be the subject of investigation?"

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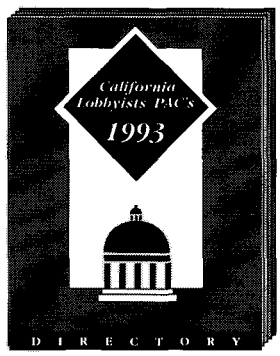

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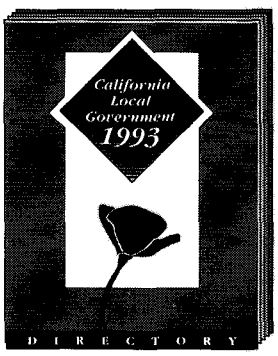

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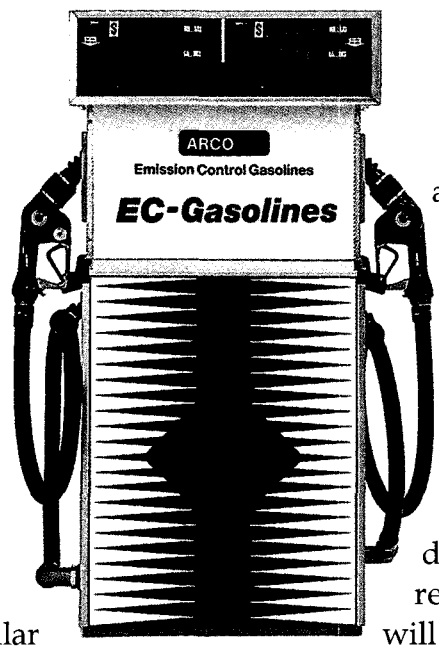

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